

testing against passing of the Black beer bill; to the Committee on District of Columbia.

10539. By Mr. SWICK: Petition of J. D. Stewart and 42 other residents of New Sheffield, Beaver County, Pa., urging the defeat of all bills that propose the repeal of the eighteenth amendment or modification of the Volstead Act; to the Committee on the Judiciary.

10540. Also, petition of Mrs. Harvey Westlake, 109 Moreland Street, Aliquippa, Pa., and 125 other residents of Aliquippa, urging the defeat of any and all bills that propose the repeal of eighteenth amendment or modification of the Volstead Act; to the Committee on the Judiciary.

10541. By Mr. WHITE: Resolution of council of the city of Toledo memorializing Congress to enact House Joint Resolution 191 and Senate Joint Resolution 105, commemorating the one hundred and fiftieth anniversary of the naturalization of Brevet Brig. Gen. Thaddeus Kosciuszko, a hero of the Revolutionary War, by issuing a special series of postage stamps; to the Committee on the Post Office and Post Roads.

## SENATE

MONDAY, FEBRUARY 20, 1933

(Legislative day of Saturday, February 18, 1933)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hattigan, one of its clerks, announced that the House had passed a bill (H. R. 14643) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1934, and for other purposes, in which it requested the concurrence of the Senate.

### CALL OF THE ROLL

Mr. LA FOLLETTE obtained the floor.

Mr. NORRIS. Mr. President, I would like to suggest the absence of a quorum if the Senator from Wisconsin will yield.

The VICE PRESIDENT. Does the Senator from Wisconsin yield for that purpose?

Mr. LA FOLLETTE. I yield.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Couzens	King	Sheppard
Austin	Cutting	La Follette	Shipstead
Bailey	Dale	Logan	Shortridge
Bankhead	Davis	Long	Smith
Barbour	Dickinson	McGill	Smoot
Barkley	Dill	McKellar	Steiwer
Bingham	Fess	McNary	Stephens
Black	Fletcher	Metcalf	Swanson
Borah	Frazier	Moses	Thomas, Idaho
Bratton	George	Neely	Thomas, Okla.
Brookhart	Glass	Norbeck	Townsend
Bulkeley	Goldsborough	Norris	Trammell
Bulow	Gore	Nye	Tydings
Byrnes	Grammer	Oddie	Vandenberg
Capper	Harrison	Patterson	Wagner
Caraway	Hastings	Pittman	Walcott
Carey	Hayden	Reed	Walsh, Mass.
Clark	Howell	Reynolds	Walsh, Mont.
Connally	Hull	Robinson, Ark.	Wheeler
Coolidge	Johnson	Robinson, Ind.	White
Copeland	Kean	Russell	
Costigan	Kendrick	Schuyler	

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

### WAR DEPARTMENT APPROPRIATIONS

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 14199) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1934, and for other purposes, and requesting a conference

with the Senate on the disagreeing votes of the two Houses thereon.

Mr. REED. I move that the Senate insist on its amendments, agree to the request for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. REED, Mr. BINGHAM, Mr. STEIWER, Mr. CUTTING, Mr. KENDRICK, Mr. McKELLAR, and Mr. FLETCHER conferees on the part of the Senate.

### REPORT OF NATIONAL ACADEMY OF SCIENCES

The VICE PRESIDENT laid before the Senate a letter from the president of the National Academy of Sciences, transmitting, pursuant to law, the report of the academy for the fiscal year ended June 30, 1932, which, with the accompanying report, was referred to the Committee on the Library.

### PRINTING OF RECORD IN UTILITIES INVESTIGATION

The VICE PRESIDENT laid before the Senate a letter from the chairman of the Federal Trade Commission calling attention to the fact that about January 1, 1933, work stopped coming through on the printing and binding of the record in the utilities investigation, being conducted in response to Senate resolutions, and stating that the commission is informed that this publishing work has ceased due to lack of funds for its continuance, which was referred to the Committee on Interstate Commerce.

### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint memorial of the Legislature of the State of Oregon, which was referred to the Committee on Public Lands and Surveys:

#### House Joint Memorial 6

To the honorable Senate and House of Representatives of the United States in Congress assembled:

We, your memorialists, the Legislature of the State of Oregon, respectfully represent that—

Whereas there is now on your calendar a House bill (H. R. 11816) having for its purpose, among other things, the conservation and protection of public grazing lands by preventing overgrazing and soil deterioration; and

Whereas the said House bill provided further for the orderly use, improvement, and development of the non timbered public lands of the United States, exclusive of Alaska, chiefly valuable for grazing and raising forage crops, with such reservations as are necessary to not interfere with like lands situate in national parks and monuments and Indian reservations; and

Whereas favorable consideration and passage of this House bill will serve to foster and stabilize the livestock industry, which is now dependent upon public range: Now, therefore, be it

Resolved by the House of Representatives of the State of Oregon (the Senate jointly concurring therein), That we do most earnestly petition and memorialize the House of Representatives of the United States, in the name of the State of Oregon, to favorably consider pending legislation hereinbefore referred to; and be it further

Resolved, That the secretary of state of Oregon be, and he hereby is, instructed to mail a copy of this resolution to the Presiding Officer of the United States Senate, the Speaker of its House of Representatives, and to each of the Senators and Representatives from Oregon in the Congress of the United States.

Adopted by the house January 31, 1933.

E. W. SNELL,  
Speaker of the House.

Concurred in by the senate February 10, 1933.

FRED E. KIDDLE,  
President of the Senate.

Indorsed: House Joint Memorial No. 6 (introduced by Mr. Snider).

W. F. DRAGER, Chief Clerk.

Filed February 13, 1933.

HAL E. HOSS, Secretary of State.

STATE OF OREGON,  
OFFICE OF THE SECRETARY OF STATE.

I, Hal E. Hoss, secretary of state of the State of Oregon, and custodian of the seal of said State, do hereby certify that I have carefully compared the annexed copy of House Joint Memorial No. 6 with the original thereof filed in the office of the secretary of state February 13, 1933, and that the same is a full, true, and correct transcript therefrom and of the whole thereof, together with all indorsements thereon.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the State of Oregon. Done at the capitol at Salem, Oreg., this 14th day of February, A. D. 1933.

[SEAL.]

HAL E. HOSS,  
Secretary of State.

The VICE PRESIDENT also laid before the Senate a joint resolution of the Legislature of the State of Nevada, memorializing Congress not to pass House bill 13558, relative to filing of notices of location of mineral claims in United States land offices, which was referred to the Committee on Mines and Mining.

(See joint resolution printed in full when presented to-day by Mr. PITTMAN.)

The VICE PRESIDENT also laid before the Senate a joint memorial of the Legislature of the State of Idaho, favoring the passage of the so-called Frazier farm relief bill, being the bill (S. 1197) to liquidate and refinance agricultural indebtedness and to encourage and promote agriculture, commerce, and industry by establishing an efficient credit system, through which the unjust and unequal burdens placed upon agriculture during the period of price fixing and deflation may be lightened, by providing for the liquidation and refinancing of farm mortgages and farm indebtedness at a reduced rate of interest through the Federal farm-loan system, the Federal reserve banking system, and the postal-savings depository system, and creating a board of agriculture to supervise the same, which was referred to the Committee on Agriculture and Forestry.

(See joint memorial printed in full when presented to-day by Mr. BORAH.)

The VICE PRESIDENT also laid before the Senate telegrams in the nature of petitions from Edith T. Morris, Mary L. Morris, and James Craik Morris, the Thirteenth Ward Independent Democratic Organization, Clyde Bel, president; Catherine R. Moore; the board of directors of the Consumers League of Louisiana, Mrs. Joseph E. Friend, president; Shirley Wimberly, attorney at law; Rena Crawford, M. D., and R. Williamson, M. D., and the Jackson Democratic Club, Francis Williams, president, all of New Orleans; J. B. Ardis, George W. Hardy, jr., Pike Hall, W. A. Mabry, E. Wayles Brown, Howard B. Warren, Robert G. Chandler, Harney S. Bogan, W. T. Mayo, Cecil Morgan, Joe B. Hamiter, and W. G. McElroy, all of Shreveport, and W. H. Hodges, jr., of Elm Grove, all in the State of Louisiana, praying for a continuance of the investigation of the Louisiana senatorial election of 1932, and the necessary allotment of money therefor by the special committee of the Senate to investigate campaign expenditures of the various presidential, vice presidential, and senatorial candidates in 1932, which were referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The VICE PRESIDENT also laid before the Senate resolutions adopted by the Common Council of the City of Hammond, Ind.; the City Council of Baltimore, Md.; the Common Council of the City of Hamtramck, Mich.; the Board of Aldermen of the City of Newport, R. I.; the Common Council of the City of West Allis, Wis.; and the Common Council of the City of Cheyenne, Wyo., favoring the passage of legislation providing for the issuance of a special series of postage stamps, of the denomination of 3 cents, commemorative of the one hundred and fiftieth anniversary of the naturalization as an American citizen and appointment as brevet brigadier general of the Continental Army of Thaddeus Kosciuszko on October 13, 1783, which was referred to the Committee on Post Offices and Post Roads.

The VICE PRESIDENT also laid before the Senate a communication from Walter R. Rennecke, of Seattle, Wash., relative to intergovernmental debt settlements and corporation matters, and making certain suggestions in connection therewith, which was referred to the Committee on Finance.

Mr. BORAH presented the following joint memorial of the Legislature of the State of Idaho, which was referred to the Committee on Agriculture and Forestry:

STATE OF IDAHO,  
DEPARTMENT OF STATE.

I, Franklin Girard, secretary of state of the State of Idaho and legal custodian of the original enrolled copies of all acts passed at the various sessions of the Legislature of the State of Idaho, do hereby certify that the annexed constitute a full, true, and complete transcript of the original enrolled copy of House Joint Memorial No. 6, enacted by the twenty-second session of the Leg-

islature of the State of Idaho and filed in this office the 14th day of February, 1933.

In testimony whereof, I have hereunto set my hand and affixed the great seal of the State. Done at Boise, the capital of Idaho, this 14th day of February, A. D. 1933.

[SEAL.]

FRANKLIN GIRARD,  
Secretary of State.

IN THE HOUSE OF REPRESENTATIVES.

House Joint Memorial 6 (by agriculture committee)

A joint memorial to the honorable Senate and House of Representatives of the United States in Congress assembled.

Received and filed February 14, 1933.

FRANKLIN GIRARD,  
Secretary of State.

IN THE HOUSE OF REPRESENTATIVES.

House Joint Memorial 6 (by agriculture committee)

To the honorable Senate and House of Representatives of the United States in Congress assembled:

Whereas a crisis exists and hundreds of thousands of once prosperous farmers in this Nation have already lost their homes and their all by mortgage foreclosures because of the fact that the price of agricultural products has for years been below the cost of production, a condition that affects all of the people of this Nation and is largely responsible for the continuance of the depression; and

Whereas there is no adequate way of refinancing existing agricultural indebtedness and the farmers are at the mercy of their mortgagees and creditors; and

Whereas unless immediate relief is given, thousand and hundreds of thousands of additional farmers will lose their farms and their homes and millions more will be forced into our cities and villages, and the army of unemployed will necessarily increase to alarming proportions, precipitating a condition that threatens the very life of this Nation; and

Whereas there is now pending in the Congress Senate Bill No. 1197, known as the Frazier bill, which provides that existing farm indebtedness shall be refinanced by the Government of the United States at 1½ per cent interest and 1½ per cent principal on the amortization plan, not by issuing bonds and plunging the Nation further into debt, but by issuing Federal reserve notes the same as the Government now does for the banks through the Federal reserve bank: Now, therefore, be it

Resolved, That the House of Representatives of the State of Idaho, the Senate concurring, respectfully requests and petitions the Senate and House of Representatives of the United States to enact said Senate bill No. 1197 in order that the agricultural indebtedness of the Nation may be speedily liquidated and refinanced and agriculture saved from utter ruin and destruction; and be it further

Resolved, That the secretary of state of the State of Idaho is hereby directed to forward copies of this memorial to the President of the Senate, the Speaker of the House of Representatives, and the Senators and Representatives of the State of Idaho in the Congress of the United States.

This house joint memorial passed the house on the 4th day of February, 1933.

ROBERT COULTER,  
Speaker of the House of Representatives.

This house joint memorial passed the senate on the 10th day of February, 1933.

GEO. E. HILL, President of the Senate.

I hereby certify that the within House Joint Memorial No. 6 originated in the house of representatives during the twenty-second session of the Legislature of the State of Idaho.

DONALD D. STEWART,  
Chief Clerk of the House of Representatives.

Mr. BORAH presented the following joint memorial of the Legislature of the State of Idaho, which was referred to the Committee on Banking and Currency:

STATE OF IDAHO,  
DEPARTMENT OF STATE.

I, Franklin Girard, secretary of state of the State of Idaho and legal custodian of the original enrolled copies of all acts passed at the various sessions of the Legislature of the State of Idaho, do hereby certify that the annexed constitute a full, true, and complete transcript of the original enrolled copy of Senate Joint Memorial No. 4, enacted by the twenty-second session of the Legislature of the State of Idaho and filed in this office the 13th day of February, 1933.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State. Done at Boise, the capital of Idaho, this 13th day of February, A. D. 1933.

[SEAL.]

FRANKLIN GIRARD,  
Secretary of State.

IN THE SENATE.

Senate Joint Memorial 4 (by Kirkpatrick and Donart)

A joint memorial to the honorable Senate and the House of Representatives of the United States of America in Congress assembled.

Received and filed February 13, 1933.

FRANKLIN GIRARD,  
Secretary of State.



## IN THE SENATE.

Senate Joint Memorial 4 (by Kirkpatrick and Donart)

*To the honorable Senate and House of Representatives of the United States of America in Congress assembled:*

We, your memorialists, the Legislature of the State of Idaho, respectfully represent that—

Whereas by reason of the great depreciation in the price of farm products and the inability of farmers to market the products of their farms in an amount to equal the cost of production, irrigation districts, duly organized and existing in conformity with the laws of the State wherein such districts are situate, and which districts were organized at the request of and under contracts made with the Secretary of the Interior for the purposes of management and for the purposes of collecting and paying the costs of constructing irrigation works by the Department of Reclamation of the Government of the United States, are unable to collect the assessments for the operation and maintenance of such irrigation district canals and diversion works and to pay the costs incurred in the diversion and distribution of the water to farms in such districts; and

Whereas by reason of said inability to collect such assessments and the inability of the farmers in said districts to pay, from the sale of the products of their farms, the costs of such operation and maintenance, such districts have been forced to issue and sell warrants of the districts legally issued for such expense for the year 1932, which are outstanding and unpaid; and

Whereas it will be necessary, in order to pay such operating expenses so that the farmers within such districts may be able to carry on their farms, for such irrigation districts to issue warrants for the payment of such expenses during the year 1933, which warrants can not be paid until the crops of 1933 are marketed; and

Whereas said warrants are a general lien upon the lands and water rights of such irrigation districts together with the interest thereon and are a first lien on said lands and said water rights, subject only to the lien of the Department of Reclamation of the Government of the United States for construction purposes, and will be paid as soon as the price of farm products is increased above the cost of production and the 1933 crops can be marketed; and

Whereas it is necessary that money be obtained for the operation and maintenance of said districts and to pay the cost for the distribution of water to said farms for the year 1933, if crops are to be produced on said lands; and

Whereas under the act of the Congress of the United States approved July 21, 1932, known as the "emergency relief and construction act of 1932," and the act of which it was an amendment, loans can not be made to such irrigation districts for the purposes herein provided; and

Whereas the interests of the thousands of farmers in said irrigation districts require that the Reconstruction Finance Corporation may make loans for such purpose and accept the warrants of such districts as securities: Now, therefore, be it

*Resolved by the Senate of the State of Idaho (the House of Representatives concurring),* That we most respectfully urge upon the Congress of the United States of America to immediately broaden the terms of said act, by amendment thereto, under which loans by the Reconstruction Finance Corporation may be made so as to include loans to such irrigation districts for such purpose, accepting as security therefor the warrants of said districts legally issued and registered in the manner provided by law, the payments of which, together with interest thereon, shall be guaranteed by assessments duly levied or to be levied as provided by law; be it further

*Resolved,* That the secretary of state of the State of Idaho be authorized, and he is hereby directed, to forward certified copies of this memorial to the Senate and the House of Representatives of the United States of America and to the Senators and Representatives in Congress from this State.

This senate joint memorial passed the senate on the 6th day of February, 1933.

GEO. E. HILL,  
*President of the Senate.*

This senate joint memorial passed the house of representatives on the 9th day of February, 1933.

ROBERT COULTER,  
*Speaker of the House of Representatives.*

I hereby certify that the within Senate Joint Memorial No. 4 originated in the senate during the twenty-second session of the Legislature of the State of Idaho.

M. J. HAMMOND,  
*Secretary of the Senate.*

Mr. BORAH also presented a joint memorial of the Legislature of the State of Idaho, favoring the prompt passage of House bill 413, as amended, to enlarge the Boise National Forest by adding thereto certain areas in Idaho, which was referred to the Committee on Public Lands and Surveys.

(See joint memorial printed in full when laid before the Senate by the Vice President on the 15th instant, p. 4108, CONGRESSIONAL RECORD.)

Mr. BORAH also presented a joint memorial of the Legislature of the State of Idaho, urging Congress to eliminate from pending legislation (being a bill to amend sections 5

and 8 of the Idaho admission act so as to permit mineral leases on public lands to be made for a term not to exceed 20 years and to permit the further exchange and consolidation of State and Federal lands within the State of Idaho) the provision authorizing the State, in its discretion, to add a portion of the annual income to the permanent funds and, upon the elimination of this provision, favoring the immediate enactment into law of the said bill, which was referred to the Committee on Public Lands and Surveys.

(See joint resolution printed in full when laid before the Senate by the Vice President on the 14th instant, p. 3993, CONGRESSIONAL RECORD.)

Mr. PITTMAN presented the following joint resolution of the Legislature of the State of Nevada, which was referred to the Committee on Banking and Currency:

STATE OF NEVADA,

*Department of State, ss:*

I, W. G. Greathouse, the duly elected, qualified, and acting secretary of state of the State of Nevada, do hereby certify that the foregoing is a true, full, and correct copy of the original Senate Joint Resolution 10, introduced by Senators Winters, Carpenter, and Friedhoff February 1, 1933, now on file and of record in this office.

In witness whereof I have hereunto set my hand and affixed the great seal of State at my office, in Carson City, Nev., this 16th day of February, A. D. 1933.

[SEAL.]

W. G. GREATHOUSE,  
*Secretary of State.*

Senate joint resolution memorializing the Reconstruction Finance Corporation and the Regional Agricultural Credit Corporation to reduce the interest rate on, and to extend the time for payment of, agricultural and livestock loans

*Resolved by the Senate and the Assembly of the State of Nevada, That—*

Whereas the present interest rates charged by the Regional Agricultural Credit Corporation in the State of Nevada are excessive under present conditions and should be lowered to at least 4 per cent per annum; and

Whereas said loans made are required to be approved by the Reconstruction Finance Corporation: Now, therefore

The Legislature of the State of Nevada hereby respectfully requests the Reconstruction Finance Corporation and the Regional Agricultural Credit Corporation to reduce the rate of interest on all pending agricultural and livestock loans, and all future loans, to at least 4 per cent per annum, and to extend time for payment of the principal on present loans for an additional three years, and to make all future loans for not less than three years.

The secretary of state of the State of Nevada is hereby directed to transmit certified copies hereof to the president or chairman of the Reconstruction Finance Corporation, to the executive officer of the Regional Agricultural Credit Corporation for this Federal land-bank district, and to the United States Senators and Representatives in Congress from the State of Nevada.

MORLEY GRISWOLD,  
*President of the Senate.*  
V. R. MERIALDO,  
*Secretary of the Senate.*  
FRED S. ALWARD,  
*Speaker of the Assembly.*  
GEORGE BRODIGAN,  
*Chief Clerk of the Assembly.*

STATE OF NEVADA,  
*Executive Department.*

Approved February 15, 1933.

F. B. BALZAR, Governor.

Mr. PITTMAN also presented the following joint resolution of the Legislature of the State of Nevada, which was referred to the Committee on Mines and Mining:

STATE OF NEVADA,

*Department of State, ss:*

I, W. G. Greathouse, the duly elected, qualified, and acting secretary of state of the State of Nevada, do hereby certify that the foregoing is a true, full, and correct copy of the original assembly joint resolution No. 10, introduced by Mr. Bugbee, January 30, 1933, now on file and of record in this office.

In witness whereof I have hereunto set my hand and affixed the great seal of State, at my office, in Carson City, Nev., this 16th day of February, A. D. 1933.

[SEAL.]

W. G. GREATHOUSE,  
*Secretary of State.*

Assembly joint resolution memorializing Congress not to pass H. R. 13558, relative to filing of notices of location of mining claims in United States land offices

*Resolved by the assembly and the senate, That—*

Whereas there has been introduced in the House of Representatives of the Congress of the United States a bill, known as H. R. 13558, which provides for the filing of notices of location of all mineral claims in land offices of the United States, and

that proofs of labor on such mining claims be similarly filed, in addition to filing requirements now required under State laws, and that in case of failure to so file in the United States land offices all claims for which such filings have not been made shall be open to relocation in the same manner as if no location had ever been made on said claims, and granting the Secretary of the Interior power to prescribe rules and regulations for carrying out the provisions of the act, and requiring the payment of such fees for filing all papers required to be filed under the provisions of the proposed law; and

Whereas as almost all of the public lands within the State of Nevada are potential mineral lands, and thousands of mining claims now located on them, or which may be hereafter located thereon, have not been and can not be so described in the location notices, that these claims could not be placed upon a map without a long, tedious, and expensive survey, much of the mineral land being as yet unsurveyed and unplatted, and as such claims are held by citizens or may be located by others who are unable to bear the expense of surveying them and paying the filing fees to be required, especially in the present economic condition of the country; and

Whereas the provisions of such proposed law by Congress are unjust and wholly unnecessary and would work great hardship upon the prospectors and owners of mining claims: Now, therefore

The Legislature of the State of Nevada earnestly protests against the passage of said bill, namely, H. R. 13558, and requests that the Senators and Representatives of the State of Nevada in Congress oppose said bill and vote against the passage of the same, and that the Congress of the United States take cognizance of this protest and defeat the passage of said bill. The secretary of state of the State of Nevada is hereby instructed to forward a certified copy of this joint resolution to the President of the Senate, the Speaker of the House of Representatives, and to the United States Senators and Representative in Congress from the State of Nevada.

FRED S. ALWARD,  
*Speaker of the Assembly.*  
GEORGE BRODIGAN,  
*Chief Clerk of the Assembly.*  
MORLEY GRISWOLD,  
*President of the Senate.*  
V. R. MERRILLDO,  
*Secretary of the Senate.*

STATE OF NEVADA,  
EXECUTIVE DEPARTMENT.

Approved February 15, 1933, 3.40 p. m.

F. B. BALZAR, *Governor.*

Mr. KENDRICK presented the following joint memorial of the Legislature of the State of Wyoming, which was referred to the Committee on Public Lands and Surveys:

THE STATE OF WYOMING,  
OFFICE OF THE SECRETARY OF STATE.

UNITED STATES OF AMERICA,  
*State of Wyoming, ss:*

I, A. M. Clark, secretary of state of the State of Wyoming, do hereby certify that the annexed is a full, true, and correct copy of original Senate Joint Memorial No. 1, as passed by the Twenty-second Legislature of the State of Wyoming and approved February 2, 1933, at 4.40 p. m.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Wyoming.

Done at Cheyenne, the capital, this 15th day of February, A. D. 1933.

[SEAL.]

A. M. CLARK, *Secretary of State.*  
By C. J. ROGERS, *Deputy.*

Memorializing Congress to take favorable action on S. 1043, to confer upon the States of Montana, Wyoming, and Idaho the right to tax, for State and county purposes, persons, copartnerships, and corporations, and their property within that portion of the Yellowstone National Park which lies within the boundary lines of said States

Whereas the Yellowstone National Park was created and the boundaries thereof were defined by act of Congress dated March 1, 1872, as amended by act of Congress dated May 7, 1894, and as so created and established includes within its boundaries areas of the States of Wyoming, Montana, and Idaho; and

Whereas in the act creating Yellowstone National Park and providing rules and regulations therefor no special provision has been made authorizing the assessment and collection of taxes upon property in private ownership included within the boundaries of said park; and

Whereas there now exists in private ownership a large amount of property situated within the boundaries of said Yellowstone National Park aggregating millions of dollars in value, the taxation of which would greatly benefit said States of Wyoming, Montana, and Idaho; and

Whereas the various acts of Congress establishing the several national parks, including Glacier National Park, Sequoia National Park, Yosemite National Park, Mount Rainier National Park, and Rocky Mountain National Park, each expressly authorizes the taxation of property in private ownership situated within the boundaries thereof, and no good reason exists why such law should not be applied to the Yellowstone National Park; and

Whereas there is now pending in the Senate of the United States a bill known as S. 1043 to confer upon the States of Montana, Wyoming, and Idaho the right to tax for State and county purposes persons, copartnerships, and corporations, and their property within that portion of the Yellowstone National Park which lies within the boundary lines of said States: Therefore be it

*Resolved by the Senate of the Twenty-second Legislature of the State of Wyoming (the House of Representatives concurring), That the Congress of the United States of America be, and it is hereby, memorialized to take favorable and prompt action upon and to pass said S. 1043; and be it further*

*Resolved, That a certified copy of this joint memorial be sent to each of the members of the congressional delegation of this State in Congress and to the House of Representatives and Senate of the States of Montana and Idaho.*

WM. M. JACK,  
*Speaker of the House.*  
ROY H. CAMERON,  
*President of the Senate.*

Approved 4.40 p. m., February 2, 1933.

LESLIE A. MILLER, *Governor.*

Mr. KENDRICK also presented the following joint memorial of the Legislature of the State of Wyoming, which was referred to the Committee on Interstate Commerce:

THE STATE OF WYOMING,  
OFFICE OF THE SECRETARY OF STATE.

UNITED STATES OF AMERICA,  
*State of Wyoming, ss:*

I, A. M. Clark, secretary of state of the State of Wyoming, do hereby certify that the annexed is a full, true, and correct copy of enrolled Joint Memorial No. 1, House of Representatives of the Twenty-second Legislature of the State of Wyoming, being original House Joint Memorial No. 4, approved by the governor on February 16, 1933, at 8.55 a. m.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Wyoming.

Done at Cheyenne, the capital, this 16th day of February, A. D. 1933.

[SEAL.]

A. M. CLARK, *Secretary of State.*  
By C. J. ROGERS, *Deputy.*

Memorializing the Congress of the United States to immediately enact legislation regulating interstate commercial motor-vehicle traffic

Whereas the ever-increasing burden of traffic by commercial motor vehicles operating for gain and profit upon the highways presents a serious situation; and

Whereas it is entirely clear that the highways are public property, that their primary and preferred use is for private purposes, and that their use for purposes of gain is special and extraordinary; and

Whereas it is vitally important to the State of Wyoming that traffic by commercial motor vehicles shall be so regulated that the burden thereof with its resulting injuries to the highways, its interference with the primary use thereof, as well as the danger and inconvenience resulting to the citizens of the State shall be properly adjusted to the interests of all classes of citizens; and

Whereas such regulation should be designed to foster a fair distribution of traffic, to the end that all necessary facilities of transportation shall be maintained and the public shall not be inconvenienced by the extraordinary and unlimited use of the highways for purposes of gain and profit; and

Whereas such regulation through legislative enactment by the State of Wyoming can result only in the regulation of such traffic upon the highways within this State and can not properly accomplish such regulation with reference to such traffic which is interstate in character; and

Whereas it is necessary, in order to make any such regulation by legislative enactment of this State effective, that there shall be enacted by the Congress of the United States legislation regulating interstate traffic by commercial motor vehicles upon the highways: Now, therefore, be it

*Resolved by the house of representatives of the twenty-second legislature (the senate concurring), That the Congress of the United States of America be, and the same is hereby, memorialized to immediately enact legislation regulating interstate traffic by common-carrier motor vehicles upon the highways and the business of operating such vehicle upon the highways for gain and profit, and to the end that the burden of such traffic with its resulting injuries to the highways, its interference with the primary use of the highways, the danger and inconvenience resulting to the citizens shall be properly adjusted to the interest of all classes of citizens, and that all necessary facilities of transportation shall be maintained and the public shall not be inconvenienced by the extraordinary and unlimited use of the highways for the purposes of gain and profit; be it further*

*Resolved, That certified copy of this memorial be addressed and sent to Senator ROBERT D. CAREY, Senator JOHN B. KENDRICK, and Hon. VINCENT CARTER, Representative in Congress for the State of Wyoming.*

ROY H. CAMERON,  
*President of the Senate.*  
WM. M. JACK,  
*Speaker of the House.*

Approved 8.55 a. m., February 16, 1933.

LESLIE A. MILLER, *Governor.*



Mr. KENDRICK also presented the following joint memorial of the Legislature of the State of Wyoming, which was referred to the Committee on Public Lands and Surveys:

THE STATE OF WYOMING,  
OFFICE OF THE SECRETARY OF STATE.

UNITED STATES OF AMERICA,

State of Wyoming, ss:

I, A. M. Clark, secretary of state of the State of Wyoming, do hereby certify that the annexed is a full, true, and correct copy of Enrolled Joint Memorial No. 2, House of Representatives of the Twenty-second Legislature of the State of Wyoming, being original House Joint Memorial No. 3, approved by the governor on February 16, 1933, at 9 a. m.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Wyoming.

Done at Cheyenne, the capital, this 16th day of February, A. D. 1933.

A. M. CLARK, Secretary of State.  
By C. J. ROGERS, Deputy.

Memorializing the National Park Service to maintain the public roads in Yellowstone National Park, so as to permit winter travel thereon

Whereas the roads traversing Yellowstone National Park are not now maintained for winter travel; and

Whereas there are highly developed highways which converge through Yellowstone National Park, all of which are open for constant use during the winter but are barred from use for transcontinental travel by reason of the failure of the National Park Service to maintain its highways so as to permit winter travel; and

Whereas the distance from Chicago to San Francisco would be shortened by 500 miles and the distance from Chicago to Portland would be shortened by 1,500 miles for winter traffic if the roads of Yellowstone National Park were maintained for winter travel; and

Whereas there are thousands of the motoring public who make the trip between the places above designated and intermediate points during the winter months and that by reason of the lessening of mileage if winter travel were possible through Yellowstone National Park, they would be able to save millions of dollars annually; and

Whereas there are thousands of people who are desirous of viewing the canyon, falls, hot springs, and geysers of Yellowstone National Park in their winter beauty; and

Whereas the main routes of travel through Yellowstone National Park are protected by timber, making them easily kept free from snow and safe for transcontinental travel during the winter months; and

Whereas greater snowfalls than are prevalent in Yellowstone National Park are removed from high passes in the States of Colorado, California, Washington, and Oregon, thereby proving that winter maintenance is possible and feasible in Yellowstone National Park; and

Whereas there is no other short stretch of highway now closed for winter travel that would command as much thereof as the one via Yellowstone National Park; and

Whereas by the collection of the fee charged for entering the park the National Park Service would receive sufficient to pay the expense of snow removal and winter maintenance and also afford winter labor for many now unemployed; and

Whereas many other national parks are kept open during the entire winter months: Now, therefore, be it hereby

Resolved by the House of Representatives of the Twenty-second Legislature of the State of Wyoming (the Senate concurring), That we hereby memorialize the National Park Service of the United States of America that they take such favorable, necessary, and prompt action as will result in the annual winter maintenance of highways in Yellowstone National Park; be it further

Resolved, That certified copies of this house joint memorial be forwarded to the Wyoming Senators and Representatives in the Congress of the United States and to the Director of the National Park Service.

ROY H. CAMERON,  
President of the Senate.  
WM. M. JACK,  
Speaker of the House.

Approved 9 a. m., February 16, 1933.

LESLIE A. MILLER, Governor.

Mr. KING presented a resolution adopted by the Logan (Utah) City Commission, protesting against the imposition of taxes upon publicly owned utilities of States or political subdivisions thereof, which was referred to the Committee on Finance.

Mr. COPELAND presented petitions of sundry citizens of Oswego and Rochester, in the State of New York, praying for the passage of legislation to reevaluate the gold ounce so as to expand the currency, which were referred to the Committee on Banking and Currency.

He also presented a resolution adopted by the board of trustees of the village of Pleasantville, Westchester County, N. Y., protesting against the imposition of taxes on State

and municipal-owned utilities, which was referred to the Committee on Finance.

He also presented resolutions adopted by Camp No. 55, Patriotic Order of Americans, of New York City, N. Y., favoring the repeal of the so-called Federal economy law and especially protesting against the operation of the furlough plan affecting Government employees, which were ordered to lie on the table.

He also presented memorials and communications in the nature of memorials of sundry citizens and several religious organizations in the State of New York, remonstrating against the repeal of the eighteenth amendment to the Constitution or the repeal or modification of the national prohibition law, which were ordered to lie on the table.

He also presented a resolution of Local No. 108, Upholsterers, Carpet and Linoleum Mechanics' International Union of North America, of New York City, N. Y., favoring the passage of the bill (S. 5125) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes, which was ordered to lie on the table.

He also presented resolutions of the Plattsburgh (N. Y.) Chapter, Reserve Officers' Association of America, protesting against inclusion in the War Department appropriation measure of the so-called Connery amendment affecting the pay of officers on the retired list of the Army, which were ordered to lie on the table.

He also presented resolutions of the Plattsburgh (N. Y.) Chapter, Reserve Officers' Association of America, protesting against the passage of the so-called McClintic bill, being House bill 13522, relating to the retirement of certain employees of the Government, which were ordered to lie on the table.

#### REPORTS OF COMMITTEES

Mr. FRAZIER, from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 13991) to aid agriculture and relieve the existing national economic emergency, reported it with amendments and submitted a report (No. 1251) thereon.

He also, from the Committee on Indian Affairs, to which was referred the bill (S. 5622) providing for an alternate budget for the Indian Service, fiscal year 1935, reported it without amendment and submitted a report (No. 1252) thereon.

Mr. McNARY, from the Committee on Agriculture and Forestry, to which was referred the joint resolution (S. J. Res. 219) authorizing the fixing of grazing fees on lands within national forests, reported it without amendment.

Mr. STEIWER, from the Committee on Banking and Currency, to which was referred the bill (S. 5607) authorizing the Reconstruction Finance Corporation to make advances to the reclamation fund, reported it without amendment.

Mr. DALE, from the Committee on Civil Service, to which was referred the bill (S. 5475) to amend section 3 of the act of May 28, 1928, relating to salary rates of certain civil-service positions, reported it without amendment.

Mr. THOMAS of Idaho, from the Committee on Irrigation and Reclamation, to which was referred the bill (S. 5614) authorizing the Reconstruction Finance Corporation to make advances to the reclamation fund, reported it without amendment and submitted a report (No. 1254) thereon.

Mr. SCHUYLER, from the Committee on the Judiciary, to which was referred the bill (H. R. 194) to amend section 6 of the national charter of the Great Council of the United States of the Improved Order of Red Men, reported it without amendment and submitted a report (No. 1253) thereon.

Mr. WALSH of Montana, from the Committee on the Judiciary, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 10641. An act to amend section 122 of the Judicial Code (Rept. No. 1255);

H. R. 10243. An act granting the consent of Congress to any two or more States to enter into agreements or compacts

for cooperative effort and mutual assistance in the prevention of crime, and for other purposes (Rept. No. 1256); and S. 1060. An act relative to assumption of risks of employment (Rept. No. 1257).

#### ENROLLED BILLS PRESENTED

Mr. VANDENBERG, from the Committee on Enrolled Bills, reported that on the 18th instant that committee presented to the President of the United States the following enrolled bills:

S. 567. An act to authorize the Secretary of War to sell to the Philadelphia, Baltimore & Washington Railroad Co. certain tracts of land situate in the county of Harford and State of Maryland;

S. 1705. An act for the relief of Samuel C. Davis; and

S. 4576. An act to authorize the Secretary of Commerce to grant an easement for railroad right of way over and upon a portion of the helium gas bearing lands of the United States of America in Potter County, in the State of Texas.

#### BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WALSH of Massachusetts:

A bill (S. 5665) granting an increase of pension to Emma F. Burrell (with accompanying papers); to the Committee on Pensions.

By Mr. CAREY:

A bill (S. 5666) granting an honorable discharge to Edward Barrett; to the Committee on Military Affairs.

By Mr. CAPPER:

A bill (S. 5667) authorizing the Commissioners of the District of Columbia to grant a permit for the construction of an oil and gasoline pipe line; to the Committee on the District of Columbia.

By Mr. NEELY:

A bill (S. 5668) granting a pension to Ella A. Barker;

A bill (S. 5669) granting a pension to Margaret A. Srout; and

A bill (S. 5670) granting an increase of pension to Sarah V. Ashcraft; to the Committee on Pensions.

A bill (S. 5671) to amend the act of May 25, 1926, entitled "An act to provide for the establishment of the Mammoth Cave National Park in the State of Kentucky, and for other purposes"; to the Committee on Public Lands and Surveys.

By Mr. TYDINGS:

A bill (S. 5672) to provide revenue for the District of Columbia by the taxation of beverages, and for other purposes; to the Committee on the District of Columbia.

By Mr. BRATTON:

A bill (S. 5673) to amend section 30 of the World War veterans' act, 1924, as amended, with respect to disclosure of confidential information in the files of the Veterans' Administration; to the Committee on Finance.

By Mr. BANKHEAD:

A bill (S. 5674) to provide for the issuance of stamped money certificates, and for other purposes; to the Committee on Banking and Currency.

#### NATIONAL AND STATE BANKING INSTITUTIONS

Mr. COUZENS. Mr. President, I ask leave to introduce a joint resolution and have it referred to the Committee on Banking and Currency, and because of the interest in the subject I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution (S. J. Res. 256) authorizing the Comptroller of the Currency to exercise with respect to national banking associations powers which State officials may have with respect to State banks, savings banks, and/or trust companies under State laws, was read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

*Resolved, etc.,* That with the approval of the Secretary of the Treasury, the Comptroller of the Currency shall have and may exercise to such extent as he deems advisable with respect to national banking associations any powers which the State officials

having supervision of State banks, savings banks, and/or trust companies in the State in which such national banking associations are located may have with respect to such State institutions under State laws now in force or hereafter enacted: *Provided*, That nothing in this joint resolution shall be construed to extend the authority of the Comptroller of the Currency under section 5155, as amended, of the Revised Statutes, with respect to the establishment of branches of national banking associations.

Expenses incurred by the Comptroller of the Currency in the exercise of such powers may be assessed by him against the banks concerned and, when so assessed, shall be paid by such banks.

Nothing herein shall be construed to impair any power otherwise possessed by the Comptroller of the Currency, the Secretary of the Treasury, or the Federal Reserve Board.

All powers conferred herein shall terminate on March 3, 1934.

#### HOUSE BILL REFERRED

The bill (H. R. 14643) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1934, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

#### CONTINUANCE OF INVESTIGATION OF THE FEDERAL FARM BOARD

Mr. McNARY submitted the following resolution (S. Res. 364), which was ordered to lie on the table:

*Resolved*, That Senate Resolution No. 42, Seventy-second Congress, agreed to April 11, 1932, directing the Committee on Agriculture and Forestry to make an investigation of the activities and operations of the Federal Farm Board, is hereby continued in full force and effect until the expiration of the Seventy-third Congress.

#### COMPETITIVE CONDITIONS RELATING TO THE WOOD-PULP INDUSTRY

Mr. DILL submitted the following resolution (S. Res. 365), which was ordered to lie on the table:

*Resolved*, That the Tariff Commission be, and is hereby, directed to investigate and report to the Senate at as early a date as possible the competitive conditions as they relate to the wood-pulp industry of the United States, and particularly in relation to pulp timber, pulpwood, and mechanical and chemical wood pulp produced in Canada, Sweden, Finland, and Norway, said investigation to be based upon the costs in the various countries as computed on the standard gold value of United States currency used in payment for labor and other costs in domestic industry.

The commission is further directed to make such use of the data and findings of the United States Conservation Board, which has conducted a complete survey in the domestic field of the pulp business during the past few years, as will be useful in making its report to the Senate.

#### MESSAGE FROM THE PRESIDENT—APPROVAL OF BILLS

A message in writing from the President of the United States was communicated to the Senate by Mr. Latta, one of his secretaries, who announced that on the 18th instant the President approved and signed the following acts:

S. 1858. An act for the relief of Harriette Olsen; and

S. 4166. An act for the relief of James M. Griffin, disbursing agent, United States Coast and Geodetic Survey, and for other purposes.

#### ADDRESS BY GEN. JOHN R. KING ON LINCOLN'S BIRTHDAY

Mr. ROBINSON of Indiana. Mr. President, I ask leave to have published in the RECORD an address delivered on Lincoln's Birthday over a national broadcast from Wardman Park Hotel, Washington, D. C., February 11, 1933, by Gen. John R. King, past commander in chief, Grand Army of the Republic.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Ladies and gentlemen, whenever the patriotic citizens of any nation join in tribute to the memory of those who were willing to sacrifice themselves for a conception of public duty, the whole human mass moves forward in the way of brotherhood.

As past commander in chief of the Grand Army of the Republic, I am profoundly grateful to the National Broadcasting Co. and the Veterans of Foreign Wars of the United States for this opportunity to extend the hand of comradeship and brotherhood to those of our younger comrades of the war with Spain, the World War, and all other campaigns and expeditions under the flag we love so well.

It is eminently fitting and proper that this program should be dedicated to the ideals and principles that characterized the life of Abraham Lincoln. To-night, on the eve of the one hundred and twenty-fourth anniversary of Lincoln's humble birth in the backwoods of Kentucky, there is a special significance in the



knowledge that we, as a united Nation, can still find courage and inspiration in his words and teachings.

To-day, under the stress of world-wide economic disturbances and widespread suffering, humanity in general is sorely in need of the healing hand of Abraham Lincoln. He was a man who belonged to the people; whose view on issues pertaining to the public welfare was tempered with tolerance and sympathy for the masses; one who possessed a deep sense of loyalty to the inherent rights of individuals and a wholesome regard for the well-being of those who were prepared to sacrifice themselves on the altar of patriotism.

To-day, due to circumstances brought on by an economic upheaval, there are those who would ignore and forget the teachings and principles of patriotism, and appreciation of service as emphasized by Abraham Lincoln. Veterans as a class have become the target of insidious and underhand attacks. Motives that are utterly selfish have inspired certain cliques and groups to vent their spleen upon the veteran and his dependents, irrespective of the service, sacrifice, and sufferings they have been willing to undergo as loyal citizens of this Nation.

In reply to these critics of the veteran, I take the words of Abraham Lincoln, when he said, "Neither let us be slandered from our duty by false accusations against us nor frightened from it by menaces of destruction. \* \* \* Let us have the faith that right makes might, and in that faith let us to the end dare to do our duty as we understand it."

As past commander in chief of the Grand Army of the Republic, I hereby pledge the prayers and energies of our organization to the cause of veteran unity. We are old in years but still young in spirit in this fight against those who would exploit the veteran in the name of false economy. We have no patience for those who would weigh the value of mere dollars against the welfare and happiness of human beings.

To the Veterans of Foreign Wars of the United States, in its glorious defense of veteran legislative benefits already enacted, I pledge the loyal aid and support of our fast-fading ranks. To the people, as a whole, we who survive in the ranks of the Grand Army of the Republic commend the ideals and principles espoused by the Great Emancipator when he called upon a united people, following the Civil War, "to bind up the Nation's wounds; to care for him who shall have borne the battle and for his widow and orphans."

May God make us worthy of the memory of Abraham Lincoln!

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that on to-day the House passed without amendment the joint resolution (S. J. Res. 211) proposing an amendment to the Constitution of the United States.

#### FEDERAL AID FOR UNEMPLOYMENT RELIEF

The Senate resumed the consideration of the bill (S. 5125) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes.

Mr. LA FOLLETTE. Mr. President, the issue presented to the Senate between the substitute offered by the Senator from New York and the Costigan-La Follette bill is clear-cut. Every line of the substitute, beginning on page 3, line 17, down to and including line 5 on page 9, was adopted to the pending bill last Friday. These are the provisions of the Wagner substitute which deal with loans from the Reconstruction Finance Corporation for public works. The first part of the substitute, to be found on pages 1 and 2 and down to line 17 on page 3, deals with funds to be made available for the relief of destitution. They provide for a continuation of the present policy of loaning money or making advances to the States, to be deducted from future Federal highway appropriations. These deductions are to begin in 1935. All that the substitute offered by the Senator from New York does, in so far as relief of the unemployed is concerned, is to raise the authorized limit of such loans to \$600,000,000 and to change the pauper's oath which the governors must now make by omitting the phrase in the existing law requiring a declaration that there are no resources within the State to meet the problem.

WAGNER SUBSTITUTE WILL CONTINUE PRESENT DISGRACEFULLY LOW RELIEF STANDARDS

There remains about \$133,000,000 of the \$300,000,000 authorized for loans and advances for relief of destitution in the bill passed last year. Therefore it is fair to say that the Wagner substitute does nothing to raise the prevailing standards of relief being given to the unemployed and their dependents. It proposes to continue the disgracefully low levels of subsistence which are forcing a degradation of mil-

lions of men, women, and children spiritually, mentally, and physically in the United States to-day.

#### THE COSTIGAN-LA FOLLETTE BILL

The Costigan-La Follette bill on the other hand provides \$500,000,000 to be given as a grant in aid to the States to meet in part the burden of direct unemployment relief. This fund is to be raised by the Reconstruction Finance Corporation and will be administered by a Federal emergency relief board of three persons to be appointed by the President and confirmed by the Senate, two of whom shall be experienced in public relief and welfare administration.

Mr. President, I ask for order in the Chamber. I ask that Senators who are not interested in the misery of millions in the United States retire to the cloakroom to carry on their conversations.

The VICE PRESIDENT (rapping for order). Senators will please be in order.

Mr. LA FOLLETTE. The fund proposed in the bill is made available as rapidly as it may be needed. Forty per cent of the total, or \$200,000,000, is, according to sections 4 (a) and (7) of the bill, to be apportioned according to the population of the various States, Territories, and the District of Columbia. The maximum amounts available to individual States and Territories on this basis are shown in the following table, which I ask be incorporated as a part of my remarks and which are to be found in the report of the Committee on Manufactures.

The VICE PRESIDENT. Without objection, it is so ordered.

The table is as follows:

State	Population	Amount
United States.....	124,746,573	\$200,000,000.00
Alabama.....	2,646,248	4,242,598.32
Alaska.....	59,278	95,037.48
Arizona.....	435,573	698,332.60
Arkansas.....	1,854,482	2,973,199.10
California.....	5,677,251	9,102,055.25
Colorado.....	1,035,791	1,660,632.38
Connecticut.....	1,606,903	2,576,267.96
Delaware.....	238,380	382,182.84
District of Columbia.....	486,869	780,572.94
Florida.....	1,468,211	2,353,909.96
Georgia.....	2,908,506	4,663,063.58
Hawaii.....	368,336	590,534.86
Idaho.....	445,032	713,497.74
Illinois.....	7,630,654	12,233,849.51
Indiana.....	3,238,503	5,192,131.42
Iowa.....	2,470,939	3,961,534.08
Kansas.....	1,880,999	3,015,712.50
Kentucky.....	2,614,589	4,191,814.00
Louisiana.....	2,101,593	3,369,379.94
Maine.....	797,423	1,278,468.78
Maryland.....	1,631,526	2,615,744.80
Massachusetts.....	4,249,614	6,843,195.60
Michigan.....	4,842,325	7,763,459.77
Minnesota.....	2,563,953	4,110,659.82
Mississippi.....	2,009,821	3,222,240.44
Missouri.....	3,629,367	5,818,784.30
Montana.....	537,606	861,917.06
Nebraska.....	1,377,963	2,209,219.80
Nevada.....	91,058	145,988.70
New Hampshire.....	465,293	745,981.20
New Jersey.....	4,041,334	6,479,279.58
New Mexico.....	423,317	678,693.16
New York.....	12,588,066	20,181,822.50
North Carolina.....	3,170,276	5,082,746.44
North Dakota.....	680,845	1,091,565.04
Ohio.....	6,646,697	10,656,320.01
Oklahoma.....	2,596,040	3,841,452.22
Oregon.....	953,786	1,529,157.84
Pennsylvania.....	9,631,350	15,441,466.30
Puerto Rico.....	1,543,913	2,475,279.22
Rhode Island.....	687,497	1,102,229.88
South Carolina.....	1,738,765	2,787,675.78
South Dakota.....	692,849	1,110,810.46
Tennessee.....	2,616,556	4,194,994.60
Texas.....	5,824,715	9,338,476.99
Utah.....	507,847	814,205.92
Vermont.....	359,611	576,546.50
Virginia.....	2,421,851	3,882,833.72
Washington.....	1,563,396	2,506,515.34
West Virginia.....	1,729,205	2,772,348.70
Wisconsin.....	2,930,006	4,711,962.72
Wyoming.....	225,565	361,637.18

Mr. LA FOLLETTE. Mr. President, to provide an incentive to a maximum of effort on the part of the States and localities, payments to any State on the population basis in any one calendar year are, under section 4 (a), not to exceed two-thirds of the amounts made available for relief from all sources within the State.

The VICE PRESIDENT (rapping for order). Senators will please be in order. Senators desiring to carry on conversation will please retire to the cloakroom.

Mr. LA FOLLETTE. The remainder of the Federal contribution, or \$300,000,000, except for necessary administrative expenses, which may not exceed \$350,000, is, according to sections 4 (b) and 8, together with any portion of the fund allotted on the basis of population but not used, according to section 4 (c), to be allotted to the States and Territories and the District of Columbia to the extent that local needs are not covered by local and State funds and the funds obtainable upon the population basis.

Not to exceed \$15,000,000 of the amount reserved for allotment in accordance with need may be used, under subsections (b) and (c) of section 8, to assist the States in establishing relief programs for transients who have no legal claim on the State or the local community in which they happen to be. Those provisions of the bill embody the essential provisions of the bill (S. 5121) to authorize cooperation by the Federal Government in relieving distress among unemployed needy transients, also referred to the Committee on Manufactures. The evidence taken by your committee shows that action by the Federal Government is imperative to meet the problem created by the ever-increasing number of men, women, and boys who are wandering about the country looking for work. And, in my judgment, Mr. President, the \$15,000,000 provided is adequate to deal with the transient problem that now confronts the country.

Full responsibility for the allocation of funds under the Costigan-La Follette bill is by section 3 vested in a Federal emergency relief board of three members, to be appointed by the President, by and with the advice and consent of the Senate, and to continue in existence for a period of two years. The Reconstruction Finance Corporation, under sections 2 and 9, is in effect designated as the board's fiscal agent. The corporation is directed to make to the States the payments certified from time to time by the board, and is authorized to sell additional bonds or debentures to the extent that this may be necessary to cover the expenditures of the relief program.

The procedure to govern applications by the States for grants is set forth in sections 5, 6, and 10. The bill avoids all implication of centralization of relief or Federal coercion of the States by explicitly stating in section 12 that it shall be construed—

To secure to the several States control of the administration of relief \* \* \* within their respective territorial limits—

And in section 5 (b) that—

Relief shall be administered within each State under rules and regulations adopted by the State authorities.

It is fully recognized that this bill is in no sense a solution of the economic problems which have created the need for unemployment relief. It is urgent, however, that hunger, disease, discouragement, and permanent degradation be checked until effective measures for economic recovery can be adopted.

The VICE PRESIDENT. The Senator from Wisconsin has asked for order. Let the Senate be in order.

Mr. LA FOLLETTE. Mr. President, I hope that the interruptions of this nature will remain in the RECORD, so that the millions of persons now ground down to the level of paupers may understand that in the highest legislative body in this land there is no interest in their suffering or their degradation.

#### SHRINKAGE OF RELIEF RESOURCES—PUBLIC AND PRIVATE

There are between twelve and fifteen million unemployed persons in the United States to-day. We are in the fourth winter of the depression. The longer it lasts the greater the load becomes upon relief. This is due to two causes. The exhaustion of the resources of the individual and the shrinkage of resources, public and private. Funds raised from private sources rose tremendously in the early stages of the depression; but, despite heroic efforts, they are rapidly becoming an insignificant factor. Available statistics indi-

cate that private funds are now meeting only about 12 per cent of the burden. In my judgment this does not reflect an unwillingness to be generous. It is due primarily to diminishing income and to some extent to the fact that private contributions are more readily available to meet an emergency, but tend to decline when the need extends over a period of years.

We have no accurate figures as to the number of families now on relief, but Harry L. Hopkins, chairman of the Temporary Relief Administration of New York State, testified that 300,000 families would require relief in that State this year. Upon the basis of his experience he estimated that 10 per cent of the population, or 3,000,000 families in the country, would require relief from public funds in 1933. Walter West, executive secretary of the American Association of Social Workers, estimates that between three and three and one-half million families are now on the destitute level and require relief.

The Reconstruction Finance Corporation had, early in January, made loans or advances to 36 States and 2 Territories, which represent about 52 per cent of the population of the United States, but does not include New York, New Jersey, the five New England States, California, Maryland, Delaware, Nebraska, and Wyoming. In November last, according to Mr. Croxton, there were 2,300,000 families estimated to be in need of relief in the area referred to.

The mounting burden is shown by the Children's Bureau figures from 125 reporting cities, embracing 25 per cent of the population. In January, 1931, these cities had 450,000 families on relief; in December, 1931, there were 696,000; in November, 1932, 892,000; and in December last 997,000 families were receiving assistance in these 125 municipalities. New York City also shows the same increase in load: November, 1930, 27,000 families; November, 1931, 108,000; November, 1932, 178,000. Chicago has had a like experience: November, 1930, there were 16,500 families on relief; November, 1931, it had jumped to 97,000, and in November, 1932, it had reached 161,000. In that month there were 75,000 families down-State in Illinois, making a total for the State of 230,000 families entirely dependent on public relief. In Pennsylvania there were in December, 1931, 165,000 families on relief; in May, 1932, 235,000; and in December, 1932, 397,000 families in the State of Pennsylvania were on public relief. The load in that State is rising at the rate of 40,000 families per month.

Data received from 44 cities in 25 States and analyzed by H. L. Lurie, of the Bureau of Jewish Social Research, shows that 25 per cent of the unemployed in those cities are receiving relief.

#### FIVE HUNDRED THOUSAND FAMILIES IN THE UNITED STATES ARE DESTITUTE

But let no Senator get the impression that all those who are in need are receiving even the meager assistance now being given to those in want. Mr. Hopkins, in charge of the relief in New York State, estimates that there are 500,000 families in the United States in destitute circumstances who are being denied relief because the available funds are inadequate to meet the need. There are, for example, estimated to be 30,000 families in New York City alone, the richest city in the world, who are in need, but who are unable to secure relief because of lack of funds. This is not a wild guess. It is made by Mr. William Hodson, executive director of the welfare council in that city.

Since the substitute offered by the Senator from New York [Mr. WAGNER] proposes to continue the present basis of relief in this country, it becomes pertinent to make a brief survey of the standards of relief that prevail in the richest country in the world. Relief does not meet the minimum standards set up by competent authorities as necessary to sustain life and preserve health and morale. I have time to cite only a few examples. Mr. Hodson testified:

We have not been able thus far to provide adequate relief. We have prevented families from starving to death and have met, in part, the most urgent distress. Beyond that we have not attained a standard which is adequate.

Mr. Samuel A. Goldsmith, executive director of Jewish charities in Chicago, testified:



We have been engaged in a great biological experiment in Illinois. We have been experimenting with the minimum amount of money and food that will keep people fairly healthy.

Calvert Estill, director of public welfare in West Virginia, tells the story in a few words:

The funds available both from Federal and local sources have been just about sufficient to maintain the families and keep them from starvation; nothing except food, practically no clothing, and no rents.

I asked him about medical care. He answered:

In the first grants made in 1932 we permitted the same medical and hospital services on a case basis; that is, if the case was in all respects eligible to assistance. In the grants that were made to us for the year 1933 in the resolution adopted by the corporation (Reconstruction Finance Corporation) there is a provision to the effect that it is understood that funds are not available for medical, hospital, or institutional services.

The relief given to-day does not even reach the standards set up to aid the victims of disaster. Again I quote from Walter West, of the American Association of Social Workers:

We had had some disaster-relief experience which we applied and that we are applying now, unfortunately. Our disaster programs were proper following a tornado or fire or flood. We had learned to bring in supplies and hand them out, register the afflicted and the persons who had been dispossessed, and we have been able to apply those systems quite adequately in particular local places. But those systems of relief are not the kind to meet the needs of families which have to be relieved month after month and year after year.

We have made it necessary for those families to live on inadequate food allowances on which they might be able to live reasonably well for a week or two, but without the variety that is absolutely necessary in a year's or a month's diet. We have left them every month with uncertainty and a fear of being dispossessed. We have given little clothing, although we always provide clothing in disasters. We do not provide medical care through a central relief agency, although we give it in disasters. We are cutting off lights and giving inadequate heat. Our relief programs are not even as adequate now as in any disaster relief program of which I know.

The estimate for needs in Illinois by the State commission is \$92,000,000 for 1933. According to Samuel Goldsmith this is on a disaster basis. He said:

It fails to recognize that no one has ever experienced a prolonged "disaster" for three or four years. We are simply keeping people alive in this situation.

Even these standards, disgracefully low as they are, are being lowered. I refer to the testimony of Mr. Lurie again.

In a large number of cities which give food relief through commissaries and grocery orders adequate standards of diet are not being maintained and increasingly even the supplying of food relief is taking on the character of emergency rations. It is obvious that such methods of relief may prove disastrous to health and morale as the emergency period lengthens into years instead of months. Very rapidly with diminishing funds it is becoming increasingly true that the efforts of relief agencies do not go much beyond the objective of seeing that "nobody will starve." \* \* \* The supplying of food, however, is the only item of relief being given regularly in practically all of the cities. Payment of rent, clothing, fuel, light, and medical care are being given on an emergency basis—that is irregularly and to only a fraction of the unemployed."

A commission appointed by the Governor of Rhode Island recently reported:

It is especially important to recognize that there is a great difference between the amount which is needed to protect a family against desperate hunger for a few days and the amount that must be provided to carry a family for months on end. A food order for \$2 or \$3 prevents starvation, and for \$5 a week the food needs of a family may be met for several weeks. \* \* \* But where no provision can be made for reestablishing the flow of income of the head of the family, the absolute minimum to hold the family intact (five persons) is about \$10 per week.

#### PRESENT RELIEF ON SEMISTARVATION BASIS

Senators who vote for the substitute bill are voting to maintain the present semistarvation basis of relief. In the time-limit I can give only a few examples, but they are all too typical.

Mr. Lurie, in referring to the reports from the cities he had studied, found that the relief ranges from as little as \$5 and \$6 a month for food relief in Florida, supplemented by a few miscellaneous items, such as wood, flour, and vegetables, to \$10 and \$12 per week for a family of five persons

in some of the cities of medium size that have more adequate funds. In general, he reported to the committee, between \$15 and \$20 a month per family would be the total average relief. He estimated that if a minimum budgetary standard including food, clothing, rent, light, heat, and medical care were to be given, it would be necessary for cities concerned in his report to double the present total relief expenditures.

I cite a few examples: Stamford, Conn., grocery orders of \$3, \$4, and \$5 per week; Grand Rapids, 50 cents per person per week; Cleveland, \$4.40 per week; Toledo, \$3 per week; Dallas, \$1.40 for one day's work per week; Seattle, \$4 per week; Cincinnati, \$4 per week; Philadelphia, \$4.54 per week; Pittsburgh, 90 cents per week per person. In the State of Pennsylvania the usual weekly family grant for food in December last was between \$3 and \$4. The maximum was \$4.50 per week, regardless of the size of the family. In West Virginia the average allowance per week to the needy and distressed has been between 70 and 80 cents.

It hardly needs further argument to demonstrate that the standard of relief has been lowered beyond the danger point. Of course, it means undernourishment, not only for adults but for children. Doctor Appel, of the State Health Department in Pennsylvania, reports an alarming increase in undernourishment of school children. It has risen from 10 per cent three years ago to 28 per cent to-day. Lack of funds for shoes and clothing is not only causing suffering among the adult unemployed, but in many instances children are unable to attend school. Mr. Pickett, of the Friends' committee, reports that warm clothing is practically nonexistent in the coal-mining areas where he has been at work.

The lack of sufficient funds has made it impossible for the agencies to supply fuel except in emergency cases. The meager funds do not allow for the payment of light and gas bills. The testimony is replete with statements that the use of kerosene and candles was resorted to because it was cheaper. In Chicago Miss Edith Abbott, a member of the relief administration, reported many cases where water has been cut off for lack of payment of water bills, although this is contrary to the sanitary code of the city.

The inadequacy of relief funds has resulted in an almost universal policy of paying rent only to prevent eviction, and in many communities rent is only paid to secure new quarters for the family for one month. This policy has resulted in overcrowding. It has contributed greatly to the ever-mounting tax delinquencies in cities, thus diminishing the resources of those cities. It is not at all uncommon for landlords who own considerable rental property to be forced to apply for relief because they have no income, due to inability to collect rent. The overcrowding is producing behavior and delinquency problems which are a menace to family life.

Doctor Billikopf estimates that there are 50,000 families who have not paid rent for periods ranging from six months to two years in Philadelphia. Mr. De Schweinitz estimated that 43 per cent of the families receiving relief in Philadelphia had moved at least twice in the last year. Speaking of the situation in Chicago, Miss Edith Abbott said:

The policy of the relief offices is to pay one month's rent in advance to get the family in a new flat. Then the story begins all over and over again, and families move and move. We have had families that have moved as many as ten times in a year. \* \* \* I remember one little boy in court (renters') and who was very much surprised and a little disturbed by it, and he said, "We are just like gypsies, always moving all the time." And that situation, as I have said, is very demoralizing to children.

#### FAMILIES MUST NOW BECOME PAUPERIZED BEFORE RECEIVING RELIEF

Now, do not think, Senators, that even this semistarvation relief that is being provided in the United States is being given just because people are unemployed. Oh, no! It is given only after the applicant has been carefully investigated, and it has been found that he and his family have been stripped of all their worldly possessions. To my mind, the period of pauperization through which a family must pass before it is considered eligible to receive any relief at all is one of the most appalling aspects of the situation.



Hear Mr. Lurie on this point:

Homes are lost, insurance is canceled, aid from relatives and friends has been terminated, families are forced to exhaust and destroy indefinitely their credit before relief is granted to them. This statement on the degree of destitution reached before relief is granted is applicable in practically all communities.

I ask the Senators within the sound of my voice to picture what this means. You lose your job. Your savings keep the family going for a time. When they are gone, you borrow on your insurance. When it lapses you move to a 1-room flat. You borrow from your relatives and friends. You stand off the butcher and the grocer and the milkman until they will give you nothing more for your wife and children to eat. Finally, after months of anguish and despair, you apply for relief; and after a careful investigation you are granted a food order for \$4.50 per week. And this is all. No rent is paid unless you have been evicted from your shelter. There is no money for medical care or medicine except in emergency cases. The light is cut off. Gas is disconnected.

Perhaps the water will be shut off, too. There is no provision for clothing or shoes unless you are in dire straits, and then only secondhand cast-offs. I ask you, Will you ever be the same man again? Will your wife ever be the same woman again? And your children, what chance will they have in the future?

I say to you that by your failure to provide adequate relief to these citizens you are charging up a bill to the future in social problems and in problems of rehabilitation, the cost of which staggers the imagination.

The testimony shows that men who have been through this process of degradation and have had to subsist on these low levels of relief are no longer capable of a full day's work. Their physical stamina and their skill are gone. Time only will demonstrate whether it can ever be regained. To-day there are 3,000,000 families, or a tenth of the population, on this level; but the number is mounting at the rate of hundreds of thousands a month. Unless the standards of relief are raised, what is to become of the vaunted skill and productive capacity of the people of this country? Have you considered the permanent damage to the children who suffer malnutrition and are warped in body and mind?

In the passage of the emergency relief and reconstruction act last year we recognized that the Federal Government had a responsibility for unemployment relief, but we did not provide any contribution from the National Government to discharge it. We extended the facilities of the Reconstruction Finance Corporation and permitted it to act in the capacity of banker, loaning funds to the States and municipalities to meet the staggering burden of destitution relief.

#### RELIEF A NATIONAL PROBLEM AND RESPONSIBILITY

Regardless of the theories relating to the responsibility of the various governmental units in coping with the relief problem, the evidence now shows without doubt that unless the Federal Government assumes a part of the burden, relief will break down.

I have never been able to see upon what ground it can successfully be maintained that the problem of unemployment relief in a nation-wide economic collapse is solely the responsibility of State and local governments. Modern civilization has created an entirely different problem than existed before the industrial revolution. The theory that relief is only a local responsibility has become embedded in our thinking and our law because before the industrial revolution poor relief was administered in England by the village. The specialization and integration of industry have resulted in its concentration. Relief becomes in part a national problem and responsibility just as our industrial organization has become nation-wide in character.

It must be obvious that the concentration of industry and commerce has been attended by a like concentration of wealth and income. How can the financial burden of relief be carried alone by the local communities under such circumstances? It may be argued that the States with the greatest concentration of wealth and income are the States

that have the heaviest burden of relief, but it requires only a casual study to demonstrate that the State governments are in no position to tap the resources in their respective jurisdiction. Five States—Massachusetts, New York, Pennsylvania, Illinois, and California—have 36 per cent of the wealth of the Nation. New York has made a heroic effort to meet the problem of unemployment relief, and yet to-day the richest State in the Union finds it necessary to appeal to the Federal Government for assistance.

The same situation is presented in States where the wealth and industry is concentrated in a few counties. Would anyone contend that because of this situation the State had no responsibility and must not act to tap, in so far as possible, the resources of these counties to provide for unemployment relief in the other sections of the State?

Even though taxes are collected in certain particular States, they are derived from the products of the Nation as a whole. Take internal-revenue receipts as an example. About 54 per cent is collected from the five States just mentioned. These taxes include income, estate, distilled spirits, and tobacco. For an illustration, take the revenue from cigarettes: About 62 per cent is collected in North Carolina. It just happens that North Carolina has become the center of the cigarette industry. Can anyone claim that this revenue is due to the wealth or income of that State? Of course not! It is produced by cigarette consumption all over the United States.

To those who still cling to the theory that relief is a local responsibility I answer that we are no longer confronted by theories. We are confronted by the most appalling total of human misery in the history of any country in the world. Municipal resources are inadequate to meet the problems any longer. Take the situation of 279 municipalities, given your committee. They have raised their levies for relief from \$42,000,000 in 1929 to \$87,000,000 in 1932. During this period tax delinquencies in those cities have been rising at an alarming rate.

In other words, as the load increases, the resources to meet it decline. If we permit these two curves to go on separating for an indefinite period only bankruptcy and default will result. In the meantime other services rendered by these local units of government are impaired. Health, fire, and police protection and the operation of schools are threatened. To continue the present system of relief as proposed in the Wagner substitute will in the end contribute to a breakdown of municipal government. In the Senator's own State the municipalities can do no more, and have already petitioned the State for an increase in the proportion of the burden now assumed by the Commonwealth.

The same situation concerning resources is confronting the State governments. Like the cities, the States are largely dependent upon real-estate taxes for their revenue. Senators may ask why they do not turn to other sources. The answer is that in many of them there are constitutional restrictions which are not amendable except by a long process. There are constitutional restrictions on tax rates in 21 States. There are 16 States in which the State government is prohibited from loaning its credit to the local governments. There are 15 States that can not classify property taxes because of constitutional provisions.

#### TESTIMONY OF MAYORS

In a questionnaire sent out to the mayors of cities I asked the question as to whether the problem of relief could be met unless the Federal Government made an outright contribution to meet the situation. Of the more than 1,000 mayors, approximately, who answered, 616 mayors answered "no." Their cities have an aggregate population of over 24,000,000. I regret I can not take time to go into the other questions, but I ask to have the summary of their replies, together with a copy of the questionnaire printed at the conclusion of my remarks (Exhibit A).

One hundred mayors gathered here in Washington last week and adopted the following resolution:

*Be it further resolved, That we recommend that the Federal Government assume a larger measure of financial responsibility in meeting the problems of unemployment relief of the Nation,*



and we do recommend that such additional Federal relief funds as may be necessary and as are appropriated by Congress be made on direct grant basis to the municipalities of the Nation.

#### FEDERAL COOPERATION A SPUR TO LOCAL AGENCIES

The argument will no doubt be made that a contribution by the Federal Government will lessen the activities of private agencies, local and State governments. This has not been our experience with other Federal-aid legislation. On the contrary, the participation of the Federal Government has without exception in every instance acted as a spur upon the contributions of State and local governments. I need only mention the results in Federal aid for roads, vocational education, eradication of pests, and maternity and infancy care to give but a few of the examples. The experience in the various States that have contributed to the unemployment relief funds likewise demonstrates that action by another governmental unit does not result in the local governments shirking their responsibility. The same argument that is made in the Senate to-day against the pending bill was made in the States against action by the State governments—that is now made against action by the Federal Government; and yet in New York State the opposite result has been demonstrated. I quote from the director of relief in the Empire State, Mr. Hopkins, who was appointed by President-elect Roosevelt:

The CHAIRMAN. I would like to have you amplify your statement that the funds provided by the State of New York did not result in any relaxation of activity on the part of cities and counties. Many persons have criticized any action by the Federal Government based on the theory of grants in aid, on the ground that it would cause the cities, counties, and States to wash their hands, so to speak, of the relief problems, throwing it all on the Federal Government.

Mr. HOPKINS. Well, that certainly has not happened in New York. Why it has not happened, I think, is probably due to two reasons. In the first place, when the States come to the assistance of the local community the problem is so acute, it is right on the public officials' necks in the towns and cities; therefore, they do not stand on ceremony and say, "We will not do our share, and if the State does not come in we will not take care of them." They have to take care of them. The second reason, I think, was the policy of the State to say, "We will help you; we will go a long way with you. If you are bankrupt and broke, we will finance the whole business," as we have done. We talked with the public officials and put this relief plan on the ground of a great public service, and we found that the bankers and public citizens in the various cities are more than willing to meet us halfway.

I am convinced that the Federal Government, with half a billions dollars a year, could get a similar amount from the cities, counties, and States throughout this country. I think it is a matter of how the relief funds are administered.

Mr. Stanley P. Davies, associate secretary of the State Charities Aid Association of New York, had this to say on this matter:

In our own experience, the bringing of the State to the aid of the cities and towns in meeting relief did not result in the cities and towns unloading on the State. The offer of the State funds on a reimbursement basis served to get the localities to do things they otherwise would not have done. The result was that the State moneys did not supplant but supplemented the local funds.

The CHAIRMAN. Would or would not a Federal grant in aid be helpful in putting over other bond issues in New York?

Mr. DAVIES. We feel a Federal grant in aid would be helpful in putting over another bond issue; yes. Last fall we had some difficulty in dodging the question as to why New York State did not appeal to the Federal Government for a loan before floating the bond issue. If in floating another bond issue we could say the Federal Government is doing its share, but in order to do our part we must do certain things, I think it would be easier.

Mr. President, I have not the time to cite the numerous case histories which are in the testimony of your committee showing the impact of this frightful situation upon families in the United States formerly self-supporting, self-respecting—families that were the very backbone upon which our civilization rests. I can only appeal to Senators to read that testimony. It dramatizes and gives flesh-and-blood significance to the appalling figures of the low standards of relief which I have submitted for consideration here to-day. A vote for the Wagner substitute will be a vote to continue the degradation of millions of American families in the United States.

Mr. President, we can no longer shirk our responsibility by hiding behind theoretical governmental divisions which are no longer applicable to our modern industrial civiliza-

tion. In the roll call on the Wagner substitute we must answer the question as to whether or not millions of families—men, women, and children—are to be degraded to pauper levels, creating problems of rehabilitation and of social damage on a scale the like of which the world has never experienced before. A vote for the Wagner substitute is a vote to continue the process of pauperization for millions of persons in this country. Three million families, under the existing system, which the Wagner substitute proposes to continue, have already been ground down to this level. Millions more caught in the clutch of circumstances for which they have no responsibility and over which they have no control are rapidly being crushed and degraded.

Mr. President, I choose my words and I weigh them carefully when I say that under the existing standards of relief which the Wagner substitute proposes to perpetuate the fiber of the Nation is being weakened. The family unit, upon which our civilization has been built, is crumbling and breaking under the strain. These men, these women, these little children—their fate rests in your hands. They have asked for bread. I plead with you not to give them stone.

#### EXHIBIT A

UNITED STATES SENATE,  
COMMITTEE ON MANUFACTURES,  
December 24, 1932.

DEAR SIR: In the opinion of some of the Members of the Senate, many municipalities are finding it difficult, if not impossible, this winter to continue to meet the mounting burden of unemployment relief, even with the assistance now available to them. To help us in deciding upon proper Federal policy in this emergency, will you let me know at once—

1. What increase there has been in the number of unemployed persons assisted in your city, compared with December, 1931? With December, 1930?
  2. How much have the city appropriations for the unemployed increased this year over 1931? Over 1930?
  3. In your judgment, how many additional persons will need relief during the winter months?
  4. Can your community care for all who will need relief?
  5. What proportion of the emergency burden is being carried by private relief agencies? How much have their expenditures increased compared with 1931? With 1930?
  6. Can you state the amount of relief given weekly to the average family (two adults and two children)?
  7. How are you meeting the problem of the transient unemployed in need of relief?
  8. Is your city in a position to float further bond issues in the event that your present income is insufficient to meet adequately the relief needs of the community?
  9. Do you anticipate action by your State government to give sufficient assistance to the local communities in meeting unemployment relief this winter?
  10. In your judgment, can the unemployment relief problem be adequately met unless the Federal Government makes an outright contribution and cooperates with the State and local governments in meeting this problem?
- I shall appreciate any additional information, comment, and suggestions you may care to make.

Sincerely yours,

ROBERT M. LA FOLLETTE, Jr.

[The material in this report was obtained from answers to a questionnaire sent to mayors of cities. About 1,070 answers have been analyzed.]

Question No. 1. What increase has there been in the number of unemployed persons assisted in your city compared with December, 1931?

Increase to 49 per cent.....	198
50 per cent to 99 per cent.....	161
100 per cent and over.....	225
No change.....	31
Decrease.....	15

Referring to the last item, "decrease," in one or two instances this decrease can be traced to some seasonal occupation which will last for a few weeks.

The decrease can also be traced to the fact that a city has no funds with which to care for the unemployed this year, and hence has taken no census of such persons, and during the year some of the unemployed on last year's list have moved away.

A city may also report "no change" in the number of unemployed when, having no funds with which to care for them, this year's census has not been taken.

Another reason for the report "no change" since 1931 is that in 1931 all the employable persons in a community were out of work; there have, therefore, been none added to the list of unemployed in 1932.

It should be noted, however—and this will be brought out in answer to the next question—that though there is no change or even a decrease in the number of unemployed, it does not follow

that the same amount of money will care for the same number of people this year—savings and all sources of part help having been exhausted.

The following few excerpts from answers to the questionnaire bear on the number of unemployed in various parts of the country:

"Thibodaux, La.: I wish to state that about 75 per cent of our laboring people are demanding relief."

"Gardena, Calif.: The condition of unemployment, particularly among the men registered and known as 'stabilization men' is becoming acute. We have had five men called for work in this section since the 15th of September, 1932, and it would seem that some assistance will have to be given the hungry or the country will be faced with a serious situation."

"El Dorado, Ark.: We have registered throughout the county heads of families seeking employment, up to the close of the day December 29, 4,300. In December, 1931, we had approximately 2,200 unemployed throughout the city and county. In December, 1930, there were comparatively few wholly without jobs. Most of our people at that time were working part-time jobs or jobs of any kind."

"Waukegan, Ill.: From 20 to 25 per cent of population requires help."

"Bettendorf, Iowa: Over a third of population receiving help."

"Eureka, Kans.: Twenty-five per cent of population on relief."

"Dunkirk, N. Y. (population 17,800): Four thousand wage earners out of work."

"Wewoka, Okla.: Has 2 men out of employment for every 1 employed."

"Brackenridge, Pa.: Fifty per cent of population is being aided."

"McAllen, Tex.: Twenty per cent of people in destitute circumstances."

"Ada, Okla.: Seventy-five per cent of wage earners out of employment."

The percentage of increase in unemployment in 1932 over 1930, as reported by 554 cities, is as follows:

To 49 per cent.....	137
50 per cent to 99 per cent.....	132
100 per cent and over.....	285

Question No. 2. How much have the city appropriations for the unemployed increased this year over 1931?

Increase to 99 per cent.....	166
100 per cent and over.....	123
No change.....	39
Unable to make appropriation.....	21
Because of tax delinquencies, no money.....	21
Decrease.....	22

In answering the questionnaire those cities receiving such appropriations from county or State, or from some other source, have in most cases not reported the amounts received.

In general, the last three items could be traced to tax delinquencies. Many letters, in which the amounts received for care of the unemployed are not given, say that there is no money to be had from former sources. It is clear that not only the city treasuries are without funds but that all sources from which this help has been coming in a great many cases are dry.

Following are a few excerpts bearing out this fact—that tax delinquencies are responsible for the lack of appropriation in many localities:

"Ladysmith, Wis.: Due to delinquent taxes, the county has no cash and 40 per cent of the city taxes are delinquent (1932), and even with a decrease in valuation from \$4,000,000 to \$2,500,000, we will likely have 50 per cent delinquent tax for 1933, for factories have not operated and people must have work to pay taxes."

"Beaver Dam, Wis.: Had 512 property holders who could not pay their taxes for 1932, and from present indications may have over 1,000 delinquents for 1933."

"Smithville, Tex.: Our city is in worse shape financially than it was in 1930; taxes are remaining unpaid, and we have not been able to so arrange our budget so that current bills can be paid, \* \* \* neither can we take care of the resident unemployed."

"Hays, Kans.: This city is in debt now \$655,000 and the taxes are not being paid."

"Battle Creek, Mich.: We asked last August for \$2 per \$1,000 on a tax valuation of \$62,000,000 for poor relief, but on account of a large delinquency we are about 20 per cent short of the amount asked."

Even though many cities report an increase in appropriation for care of the unemployed, making the amount available for relief two or three times what it was last year, these same cities report that they will be unable to care for those who will need relief in their communities this winter and the rest of the year. In spite of the fact that the increase in appropriation is larger than the percentage of increase in the number of unemployed, this is still true. Last year there were many receiving only partial relief—they had a little money in bank, or were perhaps being helped by relatives and friends. Banks have closed and these other sources of help are depleted, and they are now compelled to ask for full relief.

The following excerpts bear on this:

"Conneaut, Ohio: Requests for relief in our city are increasing at a rapid rate, due not so much to increased unemployment but rather to the fact that our people have used up all their resources, including bank accounts and canceled insurance policies."

"Orange, Mass.: We anticipate that many families have been living on their savings, which have become exhausted, and in a very short time they will have to be added to the welfare list."

"Pecos, Tex.: The unemployment in our community is not greatly increasing, but need for relief has been, because of the fact that numbers of our people have exhausted all their resources, on which they have been enabled to maintain themselves until now."

"Taylor, Pa.: Our only bank closed June, 1932, and those who could help and were willing to help are now penniless."

A few of the answers refer to the money received from the Reconstruction Finance Corporation. Following are a few excerpts concerning this:

"Del Rio, Tex.: Under the present program of work relief, as administered by the Reconstruction Finance Corporation, we are not receiving sufficient funds to adequately care for all of our unemployed."

"Berkley, Mich.: In my judgment, the unemployment relief problem is being met, though rather inadequately, through loans made by the Reconstruction Finance Corporation."

"Key West, Fla.: The amount of relief being given weekly to the unemployed families by the unemployment relief fund received from the State through the Federal agencies amounts to \$2 per month for families of 2, \$4 per month for families of 3 or 4, and \$6 for families of 5 to 13."

"El Dorado, Ark.: We are endeavoring to give a family \* \* \* two days' work each week for \$1.50. \* \* \* The fund we have received from the Reconstruction Finance Corporation to this time is not sufficient for us to give more work."

"Denver, Colo.: We have been told by the agent of the Reconstruction Finance Corporation that none of this money can be used for administration and, also, that it may be used only for food, fuel, and clothing. This does not meet the problem of rent, cash allowances, transportation, etc. The procedure for handling this is cumbersome and inadequate."

"Raymond, Wash.: The special provisions of the emergency construction highway projects or the emergency relief and construction act of July 21, 1932, has not helped us, though we have several projects under way here. The contractors have too many loopholes through which they may hire their labor from the outside, yet we have plenty of experienced and common laborers in our community who are willing workers and must have work or be given charity."

"Seattle, Wash.: The present Reconstruction Finance Corporation regulations concerning public works limiting Federal aid to self-liquidating projects makes it doubtful if the State of Washington can take advantage of this type of Federal aid to any large extent in the near future."

A few cities in speaking of a Reconstruction Finance Corporation loan suggest that it may be difficult to repay the loan.

Question No. 3. In your judgment, how many additional persons will need relief during the winter months?

Question No. 4. Can your community care for all who will need relief?

Seven hundred and three cities report that they will have an additional burden of persons needing relief, without definitely specifying the number.

Four hundred and ninety-seven state definitely that they will be unable to care for all who will need relief.

Seventy-nine can not care for those who will need relief without help.

Eighty-nine are doubtful as to whether they will be able to care for them.

Twenty say they can do this after a fashion, but not properly. Two hundred and forty-six say that they can care for those who will need help.

In the latter category, of course, are many counting on aid from the Reconstruction Finance Corporation.

Of the above number answering the fourth question, 931, it may safely be said that 685 cities will not be able to care for all those who will need aid this winter.

That this large percentage of cities unable to care for those in need is typical of the condition of cities all over the country is borne out by the excerpts attached to this report.

In connection with the assertion of some cities that they can care for all who will need relief, it would be interesting to know what they consider adequate relief. Many of those saying that it will be possible to care for all are paying a weekly allowance to a family of four which is a good deal less than the average of \$4.25.

Question No. 5. (a) What proportion of the emergency burden is being carried by private relief agencies?—

Up to 49 per cent of the burden.....	321
50 per cent to 99 per cent.....	169
100 per cent.....	71
None.....	112
Small proportion.....	71
Large proportion.....	9

(b) How much have their expenditures increased compared with 1931? With 1930?

Up to 49 per cent.....	141
50 per cent to 99 per cent.....	87
100 per cent and over.....	124
Decrease.....	64
No increase.....	40
Small increase.....	13
Large increase.....	3
None of burden carried.....	68



1930

Up to 49 per cent.....	131
50 per cent to 99 per cent.....	82
100 per cent and over.....	112
Decrease.....	38
No increase.....	19
Small increase.....	4
No burden carried.....	23

Even with the increase of expenditure by private agencies, this relief is quite apparently not sufficient. With the augmented need for help over last year, in many cases funds are already exhausted, with no prospect of collecting a sufficient amount to cope with the situation. In many cases it will be impossible to collect any more at all from private sources.

The following excerpts from answers to the questionnaire bear this fact out:

"The family welfare bureau and the community chest are very active and are doing a great work, but finances are so limited that they can not take care of the situation." (Prichard, Ala.)

"In regard to private relief agencies, every effort is being made to bolster them up, but they are practically swamped." (Redondo Beach, Calif.)

"Private relief agencies are taking care of many, but the drain on these has increased to such a point that their funds are getting low." (Walsenburg, Colo.)

"The emergency committee has closed due to lack of funds." (Augusta, Ga.)

"A small percentage of the burden of relief is being cared for by private charity. \* \* \* During the winter of 1931-32 there was collected approximately \$4,000. Six hundred dollars of this amount was lost in closed banks." (Twin Falls, Idaho.)

"In view of the fact that the income of the majority of our citizens who are still employed as industrial workers has been reduced from 30 to 75 per cent, it is therefore impossible to consider any program of private subscriptions for relief." (Waukegan, Ill.)

"The Red Cross has done a great deal in relieving hardship, but now their activities are greatly curtailed because of inability to raise funds." (Clinton, Ind.)

"Community relief has heretofore been furnished by voluntary subscription. In the fall of 1932 these funds ran out." (Cumberland, Md.)

"Our funds so far have been raised by private subscriptions, but they are already exhausted and we are throwing up our hands." (Fredericktown, Mo.)

"This community has heretofore cared for those who needed relief by popular subscriptions, \* \* \* but this means of raising money is being exhausted." (Glendive, Mont.)

"There is very little relief from private agencies, as our residents are not in a position to aid—most of them are only existing." (Ridgefield, N. J.)

"Town people are at end of their resources to aid." (Alamogordo, N. Mex.)

"We have vastly increased our local charities to help feed and clothe the unemployed, but now, as this has been going on for three years or more, we have about exhausted these resources and many of those who helped charity in 1930 are now asking for charity and help for themselves." (Edenton, N. C.)

"All of our private relief funds are depleted and no way to raise any more." (Cordell, Okla.)

"Voluntary relief has become very nearly exhausted and we are almost wholly dependent upon State aid now. This is due to the fact that the number of private contributors has grown less and the number needing aid has grown larger." (Ford City, Pa.)

"The treasuries of all private relief agencies in this State are practically depleted." (Central Falls, R. I.)

"All relief is from private subscriptions, which are about exhausted." (Lebanon, Tenn.)

"Various private relief organizations \* \* \* have for some time past made considerable expenditures for the purpose of meeting the terrific unemployment situation and resultant misery prevalent in this community. The officials \* \* \* or at least most of them, report well-nigh complete exhaustion of their relief funds, with little or no possibility of further adequate contributions for relief purposes." (Antigo, Wis.)

"All private agencies exhausted." (Benwood, W. Va.)

Question No. 6: Can you state the amount of relief given weekly to the average family (two adults and two children)?

Of the 873 cities answering the question, the aggregate of their weekly allowances to a family of four amounted to \$3,728.77—giving an average of \$4.25.

In many cases this allowance is in a grocery order. Sometimes it is given in return for work, paid for at rates varying from 75 cents to as high as \$2.50 a day.

To this amount there should be added, often, old clothes, medical attention, sometimes rent and fuel, etc.

On the other hand, in many cases less than \$4.25 is the total amount of relief given to a family of four.

Question No. 7. How are you meeting the problem of the transient unemployed in need of relief?

One hundred and seven cities report that they are not meeting it at all.

Fifty-eight give work relief.

One hundred and ninety-five report a small amount of temporary relief.

Ninety-one give a meal or two or some other temporary relief and order the transient to move on.

Thirty-five do nothing but order the transient to move on. Forty-two endeavor to provide transportation to the next city, to home, or place of destination.

Six report that they give aid to the transient and charge the expenses back to his legal place of residence (one city reports that all but 5 per cent of money spent in this way has been collected).

One hundred and forty-eight report the problem cared for by the Salvation Army, Red Cross, or some similar agency.

Eighty-nine report that the problem is a small one with them. Sixty-nine report that they have no such problem at all.

The tenor of practically all the answers to this question is to the effect that the transient is helped just as little as possible and then sent on his way. In two or three places some provision in the way of work camps or shelters has been made.

Those cities reporting work relief, a small amount of temporary relief, and help by the Salvation Army, or similar agency, usually give a meal or two, perhaps a night's shelter (occasionally two nights), and in some cases, though rarely, a little gas.

A strong effort is made everywhere to get rid of these transient unemployed just as soon as is possible, for, as some of the cities state, they can not even take care of their own unemployed.

Attached are excerpts from over 600 cities reporting on this question.

Question No. 8. Is your city in a position to float further bond issues in the event that your present income is insufficient to meet adequately the relief needs of the community?

Seven hundred cities report that they are not in such a position.

Twenty-nine are doubtful as to their ability in this regard. Five state that they can not float bonds to any great amount.

Two hundred state that they can float bonds for such a purpose.

Six say that they do not need to float them for this purpose.

Many of the 200 stating that they are in a position to float further bond issues—or that they may for such a purpose—state that even though they would be permitted to do so, that it would be difficult to get an affirmative vote for this, and, moreover, that there would be practically no market for them.

Question No. 9. Do you anticipate action by your State government to give sufficient assistance to the local communities in meeting unemployment relief this winter?

Four hundred and thirty-four cities do not expect such assistance.

Eighty-six are doubtful as to receiving it. Thirty-eight think they may receive some, but not adequate, assistance.

Two hundred and seventy-three do expect sufficient assistance from the State government.

Thirteen expect the assistance through the Reconstruction Finance Corporation.

Under the answers to question No. 2 will be found excerpts from letters which speak of the manner in which Reconstruction Finance Corporation funds are being handled, etc. One city speaks of the length of time it takes to obtain such funds—so long that they can not serve the purpose for which they were intended.

Question No. 10. In your judgment can the unemployment relief problem be adequately met unless the Federal Government makes an outright contribution and cooperates with the State and local governments in meeting this problem?

Aggregate population

616 answer "no".....	24,342,455
35 are doubtful as to the answer.....	549,893
7 want Federal help, but not outright contribution.....	78,771
5 think the Federal Government should cooperate.....	88,003
11 state that the State or Federal Government must help.....	130,438
3 must have the cooperation of the State.....	30,858
6 can get along temporarily without such help.....	57,412
5 do not approve of aid by Federal Government.....	75,469
202 can get along without a Federal contribution.....	2,009,575
8 can get along with Reconstruction Finance Corporation funds.....	115,489

Following are some excerpts which bear on this question:

"The Federal Government has an obligation to contribute directly and to act at once to bring material assistance to State and local governments." (Tulsa, Okla.)

"It will be impossible to meet the unemployment relief problems unless we receive the aid of the Federal Government and State cooperation. The survey made by the city-relief committee for the necessary money needed for 1933 estimate that this county will be short \$1,750,000." (Alliance, Ohio.)

"The winter is almost over here and if State aid does not come in 60 days it will be no help. At present there is nothing being done in our State legislature to relieve our unemployed. We feel here that if the Federal Government does not do something for the unemployed situation soon that we may have trouble. Relief agencies have just about used all their resources and the towns and counties can not help much longer, so something must be done very soon to relieve those who are in need." (Coalinga, Calif.)

"Unless we have immediate relief from Government sources we will all be asking for help." (Nogales, Ariz.)

"I do not believe the unemployment relief problem can be adequately met without contribution from the Federal Government and cooperation with the State and local governments. The reason



I say 'outright contributions,' particularly with local and city governments, is that there are a good many cities incorporated under the State law which provides that loans can not be made excepting upon a vote of the people." (San Fernando, Calif.)

Mr. COSTIGAN. Mr. President, as indicated by the Senator from Wisconsin in his powerful and moving address, on the final vote to be taken this afternoon there will be one, and only one, real issue. It is whether America chooses to help our millions of blameless victims of unemployment through scientific and carefully supervised grants to the States, guided by expert and humane men and women, as proposed in the Senate bill before us, or whether Federal aid is to continue, as provided in the pending Wagner substitute, in the form of unsatisfactory loans to States and cities. The controversy over this question and the insistence on loans are alike extraordinary. For many months similar loans have not saved us from poorly administered, unstandardized, and, for the most part, cruelly inadequate relief.

Mr. WAGNER. Mr. President, I should like to ask the Senator in what respect the Costigan-La Follette bill sets up any different standard for distribution of funds, what complaints States have made that they were denied the funds applied for? I am mystified at the particular kind of criticism the Senator is making of my substitute.

Mr. COSTIGAN. Mr. President, I trust that my analysis will prove clear. If not, after I have concluded there should be an opportunity to answer the Senator in detail. There is no disposition to avoid his question, but, as the Senator is aware, the allotted time is limited, and it appears best to complete my affirmative statement first.

Let no one be deceived. America has not been taking care of countless numbers of our fellow citizens, who are wretched sufferers from our four winters of economic collapse; and under the Wagner substitute we are asked to proceed further along the same relief path of miserable failure we have been traveling. The Senator from New York, whose name is identified with admirable efforts to improve industrial conditions, will hardly defend his substitute, except on the ground that it is the best he can secure from this Congress and our present President. He is thoroughly aware of failures of the Reconstruction Finance Corporation in the relief field. He discussed them in the Senate last December. The Reconstruction Finance Corporation has given us no assurances that it will do its relief task better if given further funds, and the loan provisions of the law hamper it in that respect if it were so disposed. Indeed, many of us have been until this moment hoping against hope that the Senator from New York would join our demand for better, wiser, more humane legislation, represented by the pending bill, which the Senator from New York has declared he is willing to support if his substitute is defeated.

It is absurd to challenge the intelligence of the Senate on this subject. The Senate is informed. It knows what it is doing, and nothing is more certain than that the substitute should be defeated. The precise question before us of properly administered relief was voted on here a year ago after prolonged discussion. It was left undecided in February, 1932. It was revived in the following July in the unfortunate, inferior, and compromise loan form, which is before us again to-day. Thinking men and women condemned the loan provisions then, as ever since, and are unyieldingly opposed to perpetuating them through the pending substitute of the Senator from New York. In enacting that legislation we turned our humanitarian task into the hands of bankers, who were acting as loan makers usually do at an hour when the public interest demanded instant and adequate relief. To-day, therefore, we are once more here, fortified again by irrefutable and heart-breaking evidence and by expert judgment, pleading not emotionally but under the stern dictation of facts for a finer, sounder, and juster treatment of stricken men, women, and children. So grave and fundamental are the issues that they should stir all of us, who value our country's traditions and possibilities, to immediate and more adequate remedial efforts.

Turning to the problems raised by unemployment, and dealt with in the pending bill, I think it perhaps best to

summarize at the outset certain conclusions, before reviewing as concisely as limited time permits, certain parts of the supporting evidence. The course is simplified because it is no longer necessary to cover the entire field. It is my task to supplement what has already been outlined by the Senator from Wisconsin to clear the way for an early and decisive vote.

The following are some of the main conclusions on the pending bill and the relief situation which are supported by the testimony of undisputed and expert witnesses:

First. Unemployment in the United States has increased by leaps and bounds since the stock market collapse of 1929 until conservative figures of the totally unemployed now reach approximately twelve million men and women, twice the number idle a year ago, which itself represented a great increase over the preceding year. Far-reaching part-time unemployment has intensified the resulting misery and unrest. The distress—like the causes from which it springs—is nation-wide, and the persistence and growth of the problem have shocked and alarmed those most familiar with ordinary unemployment.

Second. The human toll exacted by present conditions is indescribable. Because of lost earnings families have been and are being scattered, and individual members left undernourished, with their happiness destroyed. An army of unemployed, unwelcome and uncared for, is wandering up and down the highways and by-ways of our country. Yet local relief for known neighbors, without provision for strangers, is our traditional and expected practice. Child life has been infinitely impoverished and saddened. Mental depression, malnutrition, illness, semistarvation, starvation itself—at times concealed behind fatal disease and collapse—are torturing those who are not in any wise at fault.

Third. During our continuing crisis, which has all the human aspects of a major disaster, like earthquake, flood, or fire—prolonged through years—inadequacy has naturally resulted in private and public efforts to cope with the emergency. The proportionate decline of generous charitable contributions has necessitated increasing dependence on public grants, local, State, and Federal. To-day public funds constitute 90 per cent of human relief now being granted, in place of 70 per cent little more than a year ago. The part played by community chests, the Red Cross, and other volunteer agencies is a diminishing fraction of the total picture.

Fourth. The breakdown of private resources has been widely accompanied by inability of local governmental agencies to meet present need. The appeal for relief, long ago passed city halls and State capitols and brought its imperative and unavoidable summons to Washington. The national aspects of the tragedy are both certain and urgent. No local community in fairness can be asked to assume an undue part of our national burden. Transients wandering over America by hundreds of thousands; homeless men, women, boys, and girls adrift; American citizens in general, in dire need and on the verge of extreme and growing want, can not be safely disregarded by a country, grounded in principles which recognize the dignity of the human soul and the fundamental importance of all men's right to life, liberty, and happiness.

Fifth. The compromise relief measure, adopted by Congress last July as an amendment to the Reconstruction Finance Corporation act, has been administered—in part because its provisions appear so to require—from the viewpoint of bankers rather than humanitarian organization and efficiency. Doubtless the best evidence of that fact is that the Senator from New York [Mr. WAGNER] one of the authors of that imperfect measure, has with fine frankness declared his present conviction—which the friends of the pending bill foresaw a year ago—that the relief features of the law should be removed from that corporation's control, and placed in independent and expert hands. Nor should we longer be told that the loan provisions of the act of 1932 are in any way sacred, since the Senator from New York has at last joined us in urging that, at least in the case of transients, provision should now be made for



relief by the Federal Government in the form of outright grants to the States.

The abandonment by the Senator from New York of certain provisions of the law he favored last year is entirely justified. Having parted company with Reconstruction Finance Corporation management, our hope has been that he may now take a further step and support the informed judgment of those most expert in this field in advocating the repeal of the loan features of the act of 1932 and the substitution of outright relief grants to the States by the Federal Government, to be matched as far as possible, by States, but in case of unmet necessity to be extended, whether matched or not, as provided in the pending bill of the Senator from Wisconsin [Mr. LA FOLLETTE] and myself. When authorizing these grants to the States, Congress should also authorize such cooperation between the Federal board and the States as will guard the wise expenditure of the funds through competent persons, and will assure economical and humane relief for those who must be assisted.

Sixth. In other respects the Reconstruction Finance Corporation is fundamentally unsuited to grapple with our immediate relief problem. The loan provisions of the present relief law have kept various States from applying for Federal funds, notwithstanding the existence of widespread suffering, and at least semistarvation, within their borders. In addition, some cities, like Detroit, in States which, at least for a time, failed to apply for Federal loans have been obliged to offer their securities as collateral in such amounts as to strain, and in a measure destroy, municipal credit, and thereby weaken the credit of municipalities generally. Furthermore the relief extended by the Reconstruction Finance Corporation has usually been fed out in short-time advances, preventing long-time planning, and arousing such anxiety and fear among those dependent on help that demonstrations threatening public violence have followed. Even worse, the aid provided by the Reconstruction Finance Corporation has been so meager and has varied so radically in different places, that the sense of security, which has been encouraged in the public mind, is without foundation.

Seventh. Separate provisions are necessary in our relief laws for special attention to the needs of transient and migratory boys and men. This subject is appropriately treated in the bills of the Senator from New Mexico [Mr. CUTTING] and the Senator from New York [Mr. WAGNER], both of which look to Federal supervision of civilian camps in which wholesome activities and rehabilitation may be given sound direction. The provisions of these two bills have been substantially incorporated in the pending bill. It should further be noted that the pending measure plans to use an independent and expert supervisory board, not incorporated in the substitute of the Senator from New York, and to resort to the Reconstruction Finance Corporation merely as the source of the necessary funds to be authorized. The pending bill for these reasons may be considered a combination of the most desirable features of the various legislative relief proposals of Senators CUTTING, WAGNER, LA FOLLETTE, and myself.

Eighth. The grants required for anything approaching proper relief, if supplemented as planned by equal amounts raised from local, State, and other sources, will exceed the amounts heretofore appropriated or otherwise provided except in the pending bill. While the bill sponsored by the Senator from Wisconsin [Mr. LA FOLLETTE] and myself calls for substantial Federal funds to prevent starvation and relieve semistarvation, America must recognize that, compared with war costs, the amount is small, and that our Nation is at this hour in the midst of a war on depression which it is our duty to wage ceaselessly along the whole economic front.

Turning to the actual testimony, let us look first at the evidence before the Committee on Manufactures on the extent of unemployment in the United States and related human needs.

Doctor Billikopf, the efficient and humane executive director of Foundation for Jewish Charities in Philadelphia,

gave the following figures showing the growth of unemployment:

1930 .....	4,860,000
1931 .....	5,600,000
October, 1932 .....	12,000,000

President Green, of the American Federation of Labor, pointed out that the federation on January 7, 1933, estimated total unemployment in the United States at 11,590,000, a figure which has since been increased by the federation, according to press reports, to 12,000,000.

Donald Richberg, the noted general counsel of the Railway Labor Executives Association, stated that in 1923 the number of railroad workers in the United States was 1,900,000, and that their positions had been lost in the following tragic numbers: In 1923-1929, 200,000; in 1930-31, 550,000; in 1932, 100,000; a total of 850,000, leaving but 1,050,000 still employed, and representing a final loss to date of from 45 to 47 per cent.

These and other prominent and qualified experts further testified as follows:

Mr. Hopkins, administrator of New York State emergency relief, said that 250,000 families out of about 1,000,000 families without income in New York State, were receiving relief in January, 1933. He predicted that the number needing aid will be increased to more than 300,000 families during the present year. Mr. Hopkins further testified that in the Nation 3,000,000 families will require relief this year.

Mr. Bane, director of the American Association of Public Welfare, testified that the number of families in New York receiving relief last July was 100,000.

Mr. West, executive secretary of the American Association of Social Workers, estimated the families now being helped in the United States at from 3,000,000 to 3,500,000. He added that 459,483 families, under the figures of the Reconstruction Finance Corporation, needing help are not receiving it, and wholly disagreed, therefore, with the testimony of Mr. Croxton that no persons have gone hungry. He further called attention to Mr. Hodson's testimony that 30,000 families are in need of relief in New York, and are not receiving it.

Mr. Estill, director of public welfare for West Virginia, reported that in Kanawha County, W. Va., alone, out of 9,600 applications for relief, only 6,000 were granted, and that there was not sufficient help to investigate the others. He added that medical care had been abandoned in that county.

Mrs. Tyson, representing the Pennsylvania Department of Welfare, testified that about 2,000,000 persons are unemployed in Pennsylvania at this time. A year ago last summer the total for Pennsylvania was estimated at about 1,100,000.

Mr. Lurie, New York, director of social research work, testified that in 43 cities relief is being given to 3,000,000 persons, 650,000 families, and 100,000 homeless individuals.

Mr. Goldsmith, Chicago, director of Jewish charities, states that in Chicago 800,000 to 850,000 are out of work, representing two-fifths (40 per cent) of the total employable. He further stated that in Illinois 10 per cent are receiving help of 40 per cent out of work. He gave the following figures of unemployment in Illinois:

1930 .....	265,123
January, 1931 .....	756,739
October, 1932 .....	1,049,000
January, 1933 .....	1,400,000

Doctor Billikopf quoted the New York Times as having pointed out that the estimated unemployed in Detroit early this year was 350,000 out of potential wage workers numbering 689,000, and that the total number of families dependent on charity for food, clothing, and shelter in Detroit increased from July 1 to December 1, 1932, from 23,341 to 32,640 families, or about 100,000 individuals.

Doctor Goldstein, of New York, read into his testimony reports from the four great industrial States, Illinois, Ohio, Pennsylvania, and New York. For Illinois he quoted Mr. Carl Borders, general secretary of the Illinois League for

Industrial Democracy, who confirmed the above figures of about 1,400,000 unemployed, representing two-fifths of the number normally employed. The statement added that practically all relief funds since February, 1932, had been from State and Federal sources; \$20,000,000 Federal and \$19,000,000 State, and that relief standards are below normal.

A report from Doctor Rubinow, who has been associated with the State unemployment-insurance commission, was to the effect that the unemployed in Ohio are more than 30 per cent, with a pay-roll shrinkage from nearly \$2,000,000,000 to less than half since 1929. The State was reported in a well-nigh desperate position with from 400,000 to 500,000 in the State, out of a population of 7,000,000, supported from private and public relief funds. The annual relief budget of \$20,000,000 represents, according to this report, only a drop in the bucket in comparison with wage losses.

Mr. Rieve, president of the American Federation of Full Fashioned Hosiery Workers, reported for Philadelphia that the unemployed are estimated to exceed 1,200,000 which is over 34 per cent of the total working population of Pennsylvania. The State relief fund of \$2,000,000 permits probably about \$1.50 to \$2 a week to families needing aid. In Philadelphia the number of families receiving relief is reported between 50,000 and 60,000.

In New York State Doctor Goldstein reports that unemployment has increased within the last year from 25 to 30 per cent and that in some industrial centers 50 to 60 per cent of the workers are out of work all the time. In the State as a whole 1,500,000 men and women are reported wholly without work. This does not include men and women who are working part time and losing from two to four days a week. He estimates that the State-wide need will require at least \$144,000,000 this coming year if each family in need is allowed \$10 per week. On this basis New York will need Federal aid to the extent of \$84,000,000 "if the unemployed are to be saved from further destitution and collapse."

Confirming in substance other testimony about Pennsylvania, Mrs. Helen Tyson, of the State department of welfare at Harrisburg, gave the following figures on unemployment in Pennsylvania:

April, 1930, United States Census.....	325,402
November, 1932.....	1,099,841
May, 1932, estimated Pennsylvania families on relief.....	250,000
December, 1932, estimated Pennsylvania families on relief.....	397,279

with monthly additions to relief of 40,000 to 50,000 families. In the State as a whole 30 per cent of the workers were said to be unemployed.

In 12 counties in southwestern Pennsylvania, according to Mrs. Tyson, 143,000 families, or about 700,000 individuals, were on relief in December, 1932, not including thousands of workers "who have one day's work in two weeks or one day a week—far below the minimum standard of living."

Mrs. Tyson further stated—

that in the near future there is every probability that half a million families, or 2,000,000 individuals, will be receiving relief from public funds in Pennsylvania.

She added:

Nowhere in the State to-day is relief adequate. The usual weekly family grant for food in December was between \$2 and \$4. The maximum grant is \$4.50. In Pittsburgh 90 cents a week for individuals is given. It is evident that this amount can hardly keep body and soul together.

Mrs. Tyson spoke of this as "prolonged semistarvation."

Let us turn next to the relief amounts expended.

Mr. Hodson gave the following figures for amounts spent by private agencies:

1930.....	\$5,285,000
1931.....	15,378,000
1932.....	18,880,000

Mr. Hopkins reported that New York State since November 1, 1931, has appropriated \$55,000,000 for relief. He added that at the time of his testimony—January, 1933—\$37,000,000 had been spent of State money and the balance is being

appropriated at \$4,000,000 a month; also that the total monthly expenditures for direct relief in the State now amount to \$8,000,000 a month and should be \$10,000,000 a month in 1933.

Mr. Lurie testified that in 43 cities of the United States \$17,500,000 a month are being spent.

Miss Ward, general secretary of the Family Welfare Association of Baltimore, added that in Baltimore \$1 per week is being given per family in need.

Mr. West pointed out that in the month of November the old-age pension average was \$25.97 in most cases for a single person; that \$20.57 is the unemployment relief average for a whole family, taking all sizes; that in many cases the limit of relief being granted is \$3 to \$5 a week, or less; and that in one Southwestern State the regular scale of relief is \$5 per month or \$60 per year.

Doctor Winslow of the Federal Children's Bureau, testified that in cities of 50,000 or more in January, 1931, about \$14,000,000 was spent for relief and the highest amount expended was \$29,000,000 at the peak point in March, 1932. During October, 1932, it was about \$24,000,000. The drop in July was caused to a considerable extent by the discontinuance of relief work in Philadelphia, to which I shall refer in a moment.

Questioned about Mr. Croxton's statement, indicating that under the Reconstruction Finance Corporation "no persons have gone hungry if they have made applications in the 36 States covered by the corporation's loans," Mr. West declared his disagreement, and pointed out that Mr. Croxton's own figures showed a very large number reported in need and not receiving relief. He added that Mr. Hodson had expressed the opinion that approximately 30,000 families in need of relief are not being cared for in New York territory nor being assisted by the Reconstruction Finance Corporation. Mr. West further said that reports had reached the American Association of Social Workers, with which he is connected, that in many cities families in need are not being provided aid. He gave the following table listing some examples of that sort:

	Families or individuals
San Francisco, Calif.....	16,000
Denver, Colo.....	3,000
Washington, D. C.....	2,000
Lawrence, Mass.....	800-1,200
Dallas County, Tex.....	20,000
Houston, Tex.....	3,000
Kanawha County, W. Va.....	2,000
Ohio County, W. Va.....	1,500
Orleans Parish, La.....	4,000
Waterbury, Conn.....	337

I turn, because of the brevity of time, from a further summary of the testimony I had hoped to present to the subject of the effects of unemployment and inadequate relief.

Mr. Van A. Bittner, representing the United Mine Workers of America, after testifying about conditions in West Virginia, said, "Senator, God only knows how these people get along."

Taking Harrison County as a fair example of coal mining regions, he stated that 25,459 people out of 78,567 in the county are receiving some relief. Of 6,500 coal miners in that county less than 1,600 are employed leaving more than 4,900 unemployed. About 3,500 men are employed each week at \$2.40 per 8-hour day, 20 per cent of this being paid in cash, the men working approximately five days a month.

He further stated:

I have known hundreds of families in the last three months and prior to that time but, since the Government flour has been distributed, that have not a thing to eat three times a day—or whenever they do eat—but just this flour and water baked up as best they can.

Mr. West testified that we used to boast of our standards of living; that we have made people afraid of relief; that we have been guided by fear that people would lean too heavily on relief agencies, and, as a result—

We have blindly put millions of people through terrible experiences \* \* \* because we have not been willing to grant relief adequately.



He discussed the way in which we have let families lose all their resources, followed that with references to low amounts of food relief, and discussed the loss in capacity which will follow the crushing out of every hope, faith, and opportunity.

Doctor De Schweinitz stated that in England and Germany a man out of work knows he will at least receive shelter, food, and clothing though he is not helped so as to make him want to live without work. He added:

There is a kind of security existing abroad, which is absent in the United States. \* \* \* If a man has a job, the United States is the best place in the world to live, but if you have not a job you are better off almost anywhere else. In the United States we need to provide a minimum of adequacy, that is at least shelter, food, and clothing. \* \* \*

One of the great values that I see in Federal aid is to make it possible for many families, or those individuals requiring help, to receive it wherever he happens to be at the time.

Mr. Lurie, speaking of the effects of unemployment, said:

Homes are lost, insurance policies canceled, aid from relatives and friends has been terminated, families are forced to exhaust and destroy indefinitely their credit before relief is granted to them. This statement on the degree of destitution reached before relief is granted is applicable in practically all communities. A number of cities report that no work or home relief is being made available to adult families—that is, to childless couples or families without young children. No relief or very inadequate forms of relief are being given to the unattached men and women without family connections.

He added many other distressing details.

Attention has already been directed to the testimony of Mr. Estill, director of public welfare in West Virginia, showing 3,600 applications for relief in one county, the merits of which welfare workers were too busy to investigate. As was also stated by him, in using Federal funds medical care had to be abandoned because of a regulation of the Reconstruction Finance Corporation, which in the grants made for the year 1932 adopted a resolution to the effect that the funds were not to be available for medical, hospital, or institutional services.

Mrs. Tyson, giving a picture of the idle unemployed in Pennsylvania, said in part:

Large groups of the unemployed stand around listlessly. There is great need for clothing, particularly men's and boys'. \* \* \* The Catholic priest said that the men had been half starved for so long that they have no spirit left.

Asked how the men passed their time, the answer was that they spent it wondering if the steel mill will reopen. Mrs. Tyson added: "There is no prospect of the mill being opened."

Though most of the testimony was tragic, perhaps its most stirring feature related to the effects of unemployment on children. Information on this subject crept into the record from time to time.

Doctor Billikopf referred to a book by Ernest Poole, quoting Mary Breckenridge, organizer and director of the Frontier Nursing Service, as speaking of numberless deaths from tuberculosis in the mountains of Kentucky, and saying:

Hundreds of children are stricken and so little can be done for them in their crowded, drafty homes. So they grow worse and soon infect others in the family. I remember a little boy of 10 who had tuberculosis, and whose two brothers had died of it. He came to Wendover one day, and at the end of his visit he said:

"Well, now I'm going home to die. Everybody in our house dies."

Doctor McCormack, secretary of the Kentucky State Board of Health, is also quoted as having said recently, as reported by the New York Times:

At the State health officers' conference at Lexington a few days ago the distressing intelligence was developed that in 40 per cent of the deaths in 18 rural counties the patients had not been visited by a physician, due to the fact that the people are without money.

On the subject of eye trouble Doctor Billikopf testified as follows:

Doctor McCormack cited three cases of xerophthalmia, a very rare ailment, caused by lack of vitamin A in the food con-

sumed, and which is characterized by a drying up of the eyeballs. This disease afflicted Poland during the World War.

I might say that in 1920, when I visited Poland and other contiguous countries, I came across this disease known as xerophthalmia, and in Germany, as Hungerkrankheit, a disease which results in continuous blinking, due to lack of food, and subsequent blindness. I saw hundreds of such victims, and I say to you that of all the devastating impressions made on me on my visit shortly following the war, nothing compared with the sight of children afflicted with this dreadful disease. I thought we were immune in this country, but here comes Doctor McCormack citing specific instances of xerophthalmia, found in Kentucky and possibly elsewhere.

Doctor Goldstein testified in part that the department of health of the city of New York makes periodic examinations of children in the public schools of that city, and that the commissioner of health reported recently that 33 1/3 per cent more children were suffering from undernourishment than 12 months ago. He added that there is a breakdown in family life, that families are forced to move into tenements declared insanitary and uninhabitable 25 years ago; that families are herded into such small space that they suffer dangers to health and moral life; also that there is a marked increase in insanity and suicides because men and women are unable to stand the strain of unemployment and constant suffering.

Mr. Carstens, director of the Child Welfare League of America, having about 150 member organizations, declared in part that in January, 1932, there had been an increase over 1931 of about 39 per cent in the number of children taken from their homes and placed in foster homes, agencies, or institutions, public and private; that since January, 1932, the increase has been only about 5 per cent, which some people would conclude means returning good times. He adds that instead, the explanation of the diminished percentage is due to the exhaustion of resources of the receiving agencies.

Nine agencies had stopped receiving children, 57 of 62 agencies reported they had actually turned down about 1,700 children, and the number was doubtless larger. He added, with reference to 75,000 children, that 71 of 145 different organizations had had to curtail their services to children, not giving good medical or dental services or the children's allowances of 5 or 10 cents a week. He stated that dependent, neglected, and early delinquent children, if not properly cared for, may later become delinquents or criminals; also that 1,978 children were reported held in care ready to go out into the world but with no work to go to. Discussing the care of 350,000 children, he said:

Thousands of children are being refused care—I refer now specifically to the 1,700 that were reported, but the total number must be considered considerably larger—because neither the private nor public agencies are in a position to give them care.

Speaking of transient children, he added that the number is variously estimated from 200,000 up to a million—no one, he believed, knowing the number—and added that he thought care for the transient groups is an obligation for the Federal Government—

Because I do not think it is going to be naturally assumed by the local community. Our committee is helping. However, that is a drop in the bucket, of course. \* \* \* It is not merely a matter of caring for them overnight; they must have something in the way of education and recreation that will hold them in the community and keep them from further drifting.

Miss Edith Abbott, dean of the School of Social Service Administration, University of Chicago, testified in part that in Franklin County, Ill., she has been told there are hundreds of children who have not had a balanced meal for years; that when the funds for mothers' pensions were cut off in 1930, mothers and children were left without this sole means of support, and the relief given has been inadequate. She gave many other instances of the unfortunate effects of limited relief on child health and welfare. She quoted letters stating that many children are suffering from lack of proper nourishment in Chicago; and that 240 children in one school examined by a doctor were declared clearly cases of malnutrition anemia.



She added that under the pending bill, in her judgment, sound social standards would be better preserved than under the provisions of the Reconstruction Finance Corporation act.

Mr. Pickett, secretary of the American Friends Service Committee, who has done devoted and effective work for the American Friends testified about relief given in Pennsylvania, Maryland, West Virginia, Kentucky, Tennessee, and Illinois. He stated that his organization was feeding in January in 16 counties in West Virginia and Kentucky about 11,000 or 12,000 children and that the figures have been climbing rapidly; that the proportion of children fed this year in the schools is 51 per cent, compared with 35 per cent last year; that shoes are more scarce this year than last and that funds have been set aside to purchase shoes for the children only. He said:

In Kentucky, just before I came away, I received notice that three schools have had to close because of the presence of trachoma. \* \* \* I understand it is augmented by malnutrition. It is not necessarily a malnutrition disease. There is another disease which has been turned up by the State department of health which causes a disturbance in the eyes, which makes the child completely blind. \* \* \* Within three weeks, in Kentucky, by putting some of the children on a butter diet, sight has been restored.

He added that the grants in Kentucky from the Reconstruction Finance Corporation were entirely inadequate, the first grants ranging as low as \$1 a family per month. He testified that the newer grants had been not nearly adequate, being approximately \$1 per week per family. He further stated that conditions are worse this year than last so far as children are concerned.

Miss Ward reported that in Johns Hopkins Hospital a study of the admissions in 1928-29 compared with 1931-32 showed that the causes for admission had changed and that mental depression is an increasing factor. Doctor Reeny was quoted as saying that even in child complaints this year anxiety states and depression have been conspicuous and that in almost every instance the illness can be traced to insecurity resulting from unemployment and overcrowded living conditions. Among the symptoms of anxiety conditions are repeated headaches, rapid heartbeats, and suffocation.

Mrs. Tyson, of the Pennsylvania State Welfare Department, quoted Doctor Appel, secretary of health for that State, as saying that in the last three years the reports of health examinations in Pennsylvania show a progressive increase of some 10 or 28 per cent in 1930 in the proportion of children who are underweight and give evidences of malnutrition. Mrs. Tyson, speaking of the limited diets in Fayette County, Pa., referred to by Mr. Kennedy, said that people living on such diets for a long period of time are living "in a condition of semistarvation," and that when men are offered work the testimony is that they are frequently too weak to do it.

Mrs. Tyson further declares that in May, 1932, the Friends Service were feeding hungry children in five or six bituminous counties and that for lack of funds the service was withdrawn last summer and has not been resumed this fall; that Pennsylvania has hardly touched the problem of transient families and homeless men and boys; that in one little town of 2,000 in southwestern Pennsylvania attempts were made to feed 1,500 transients last year; and that many young boys, hungry and tired and broken in spirit, are simply moving on "looking for a frontier." She further said that in Clearfield County, with a population of 86,000, the State physician reports 6,000 malnourished children who needed dental care, glasses, tonsil operations, and, in one county, operations for crippled children can not be secured; also that the hospitals are burdened almost to the breaking point.

Mr. President, I wish now to advert for a moment to what may be called the failure of the compromise legislation of July, 1932, which gave the Reconstruction Finance Corporation supervision of unemployment relief.

Mr. Hurlin, director of the statistical department of the Russell Sage Foundation of New York City, stated that in some cities of the country there is an almost ridiculously low rate of relief—such as 27 cents, 30 cents, 39 cents, 43

cents, 63 cents, compared with \$8.93 per capita in Boston. He added that the table placed in the record by him gives evidence that the policy so far followed by the Reconstruction Finance Corporation has not been directed toward meeting existing needs but merely toward satisfying requirements of the existing law in giving relief, provided certain financial conditions have been met. He further said that it is of the utmost necessity that the law be changed as soon as possible so that a new policy may be adopted which will place at the disposal of the States liberal relief funds.

Dr. S. E. Leland, professor of public finance of the University of Chicago, declared that Federal aid should be outright; that it should not be granted in the form of loans to be collected in more taxes from people who have little or no ability to pay, but the tax should be placed on the entire Nation rather than on State and local units.

Mr. Hodson said that the experience of New York State showed that a Federal grant for relief based on the principle of grants in aid, which means supplementing local resources, and given good administration, will not dry up local resources, but, on the contrary, will stimulate them.

Mr. Betters, executive director of the American Municipal Association, of Chicago, urged that section E of the relief act of the Reconstruction Finance Corporation be repealed immediately. That section provides that municipalities, in order to borrow, must put up collateral and is used where a governor, as at one time in the case of Michigan, refused to assume responsibility, as a result of which Detroit had to borrow. Mr. Betters pointed out that section E gives the governor the opportunity to shift responsibility back to the local government, which he does not think Congress intended because of the varying attitude of different governors. As a result cities in one State must issue bonds while others across a State line 50 miles away do not have to issue bonds.

Mr. Betters also objected to the loan basis in the Federal law, pointing out that a State must almost take a pauper's oath before it can get funds and that Governor Lehman had said that the New York Legislature was not going to take the pauper's oath to borrow. That feature has been eliminated in the substitute. He added that if we are going to permit municipalities to issue bonds we are going to have a most serious credit situation facing American cities; that there are already many defaults and that there will be many more; that if Chicago had not authorized a refunding plan for the city's \$24,000,000 bonds there would have been complete financial chaos in Chicago.

Mr. Betters said that the present relief bill in his judgment is "the most sane bill" that can be drawn, especially in regard to distribution. He approved the 40 per cent allotment, and added that there is practically no State which does not need such Federal funds and that the allotment would be equitable.

He also pointed out that, because of the rivalry between cities and rural communities over road-building programs, many governors were reluctant to apply for emergency relief; and that it is bad to tie up the loans with road programs for that reason. He added that the Reconstruction Finance Corporation had taken an unsound position in trying to force States to accept additional taxes, for in Illinois this meant forcing the sales tax on the State, when a balanced tax system ought to be possible.

Speaking of the need to repeal section E immediately, he said that defaults in municipal credit would affect the entire credit situation of the country, adding:

I can not see that a default in a city of the size of Detroit is going to have no effect other than within the boundaries of the city of Detroit. It will affect the whole financial credit of the United States.

Mr. Clapp, director of the welfare federation of Cleveland, said that there are definite limits to the plan of loaning one-fifth of possible Federal highway funds years in advance.

Attention has already been directed to Mr. Pickett's testimony about the low standards of relief of the Reconstruction Finance Corporation, which were at first about \$1 per family per month but which this year have been raised to \$1 per week per family.



Mr. Croxton, representing the Reconstruction Finance Corporation, endeavored to avoid that criticism by saying that relief can never be adequate, but conceded that relief is frequently inadequate.

Attention has also been directed to the testimony of Mr. West, page 364, that families in need are often not provided help. This is clearly due in part to the fact that the Reconstruction Finance Corporation is an agency waiting for applications for loans. No testimony was given indicating that it reaches out to know the need and tries to make loans which will adequately meet that need.

A striking illustration of this unsatisfactory feature of the operation of the Reconstruction Finance Corporation law was the case of Philadelphia, where relief was abandoned because of lack of funds during July and August, 1932.

It appears necessary to digress long enough to mention this experience in some detail. The cause was the exhaustion of relief funds which were sustaining 52,000 families when relief was withdrawn.

Shortly before this occurred a public statement was issued by leading citizens of Philadelphia that the city was about to pass from civilization to barbarism.

Those who think that the relief problem can be avoided should read the report of a committee of the community council which investigated what actually happened in Philadelphia in the two months while relief was suspended. This report is contained in our testimony. It was prepared by an economist of Philadelphia, Mr. Clague, and describes conditions in the two months when no relief was available for the destitute people of Philadelphia.

From that report I read the following:

People do not starve to death when relief stops; they just starve, with the margin by which life persists maintained by the pity of their neighbors and by a sort of scavenging on the community.

An examination was made by the Philadelphia committee of some 400 families out of more than 50,000 families that were destitute. The committee reported:

Most of them were absolutely dependent for existence on the food orders supplied through State funds administered by the committee for unemployment relief. Then there were no more funds, and relief—except for a little milk for half-sick children, and a little Red Cross flour—was suddenly discontinued. And Philadelphia asked itself what was happening to these 52,000 families. There were no reports of people starving in the streets, and yet from what possible source were 52,000 families getting enough food to live on?

These are some of the facts that were discovered:

The families rustled for themselves as much as they could. A common source of supply for one group was the docks where fruit and vegetables for market are sorted. Children and adults hung around the stalls and snatched at anything that was cast out. Occasionally they were able to make off with good produce, but the police were watchful and such enterprise was often disastrous. Street begging was only occasionally resorted to, said the investigators, likewise the petty thieving of milk and groceries from doorsteps. There is little doubt, however, that gifts of food from grocers, reported by a considerable number of families, were usually obtained by a form of begging. Children, it seems, had the habit of going to a store and by pleading hunger, inducing the grocer to give them a little food. Children ran errands for grocers, watched pushcarts, did anything in exchange for fruit or vegetables. The myriad ways in which a family, its entire attention concentrated on food, just food, succeeded in obtaining it constitutes abundant evidence of the ingenuity and perseverance of these people.

As a result of all these efforts, what did these families have? What meals did they get and of what did these meals consist? About 8 per cent of the total number were subsisting on one meal a day. Many more were getting only two meals a day, and still others were irregular, sometimes one meal, sometimes two, occasionally, by great good fortune, three.

The Bakers, the Beccarias, the MacIntyres, and the other 397 families visited did not starve to death when relief stopped. They kept alive from day to day, catch-as-catch-can, reduced for actual subsistence to something of the status of a stray cat prowling for food, for which a kindly soul occasionally sets out a plate of table scraps or a saucer of milk. What this does to the innate dignity of the human soul is not for this writer to discuss. What it does to the bodies of the social attitudes of adults and children is something that we shall know more and more about for years to come. And these 400 families were, remember, a fair sampling of 52,000 from whom relief was withdrawn. What happened to

the 400 happened in greater or less degree to the 52,000, and will happen again if the exigencies of the winter should force another discontinuance of food orders.

The testimony in the record about medical and other aid having been abandoned in various parts of the country supports the same criticism of the relief features of the Reconstruction Finance Corporation act.

Another criticism which frequently appeared in the testimony in regard to the administration of the Reconstruction Finance Corporation law was due to the fact that its loans were made for short-time periods which prevented long-time relief planning. Those who discussed this pointed out that the fear that other money would not be forthcoming for relief had a tremendous effect on families, and whenever fear was expressed in the press demonstrations began at the relief stations arising from other than communistic sources. A witness cited one case of a great mass demonstration at the Loop in Chicago and said that such demonstrations are inspired by facts.

What, then, did the experts offer as desirable further legislation? Witnesses practically without exception favored the proposals of the pending bill, to provide \$500,000,000 at least, administered independently of the Reconstruction Finance Corporation. Doctor Billikopf pointed out that relief needs, according to those of past experience, will increase for at least a year after the turn for the better in economic conditions. Mr. West noted that Senator Pomerene, of the Reconstruction Finance Corporation, had suggested in October, 1932, that the \$300,000,000 appropriated in July of that year was expected to last for two years, and will have been practically exhausted in one.

The American Association of Social Workers, on February 4, 1933, confirming what has been said, reported through a subcommittee in favor of standards and safeguards for the use of Federal funds contemplated in the bill of Senator LA FOLLETTE and myself, and pointed out that the relief act of 1932 has definite defects. I ask that this report be incorporated in the RECORD.

THE VICE PRESIDENT. Without objection, it is so ordered.

The report is as follows:

AMERICAN ASSOCIATION OF SOCIAL WORKERS,  
New York City, February 4, 1933.

#### REPORT OF THE SUBCOMMITTEE ON METHODS OF ADMINISTRATION

The subcommittee has reviewed the reports of the conference on Federal action made in 1931 in so far as they related to the subject assigned to this committee. It has also reviewed the several measures which have been introduced in Congress in the winter of 1932-33.

The committee has undertaken to redraft a statement of the important safeguards which should be applied to a Federal measure as follows:

#### RECOMMENDED POLICIES AND PRACTICES

1. Federal aid to States for unemployment relief should be granted when evidence accumulates that any considerable number of States are unable to provide through local and State funds for the minimum adequate relief needs of persons in distress due to unemployment. Such aid should be in the form of grants by which the wider taxing powers and the greater credit resources of the Federal Government may be brought into use in such manner as to stimulate State and local responsibility.

2. Federal administration: Allocation and Federal administration of funds to States should be vested in a small appointive board of persons specially qualified for the task. This board should be empowered to employ social workers and such trained specialists as are necessary. A merit system for selection of this staff is essential. The bill should allow an adequate sum for the administrative expenses of the board and its staff.

3. Allocation of funds: The policy of matching Federal funds with State funds should be followed, but provision should also be made for a discretionary fund.

4. It should be the policy and practice of the Federal Board to assist the States in every possible way in the development of necessary local and State machinery for relief and service to those in need. The essential components of such State administration consist of:

(a) Local units able to give quick and effective relief and services, organized on county or city lines.

(b) An effective State administrative unit for the direction and supervision of the expenditures of State and Federal funds for relief purposes. This unit should have authority to allocate funds within the State, and set standards of local relief administration and of personnel. Where the existing State welfare department is or can be made adequate for these purposes, it should be



designated as the State administrative unit unless other adequate relief administration has already been established.

The Federal board, through powers granted to it, can be of effective help in the encouragement and development of adequate State administrative units. To that purpose it should have power to give the State financial assistance to be applied not only to relief but also to service costs.

The Federal board should have sufficient authority over the standards of administration in the States so that it may withhold appropriations which in its opinion would not be properly spent for the needs of the unemployed. It is understood, however, that the influence of a skillful Federal administration would be exercised in the development of economical and humane standards of local and State administration through educational processes rather than through the withholding of appropriations. Allocations should be made for a period of not less than six months in advance, to permit the State administration to develop stable programs, employ proper personnel with some guaranty of security of tenure, and avoid uncertainty and insecurity to those in need of relief.

5. As a corollary to the above, the Federal Government should have its dealings with State governments and not assume the responsibility for allocation of Federal funds within the States. The Federal board should, however, have the power to call for such detailed information as it deems necessary concerning needs and resources of the political subdivisions within the States.

The administration of Federal aid should include provisions for the transient and homeless; that is, individuals or families without legal settlement. Legal restrictions and local practices of long standing now exaggerated by lack of local resources for adequate care of residents creates a particularly acute problem. Special provisions are necessary through Federal funds granted to States for cooperation between localities within States and across State lines in returning transients to their legal residences when such action is socially desirable, and also for providing shelters and other methods of treatment.

#### EMERGENCY RELIEF AND CONSTRUCTION ACT OF 1932

In comparing the provisions for Federal relief under the emergency relief and construction act of 1932 with the points deemed essential as in the above statement the committee reports the following conclusions:

1. The act does not conform to the provision that Federal aid should be in the form of grants.
2. The act provides no special board to administer Federal funds. The allocation of funds has been a minor responsibility of the board of the Reconstruction Finance Corporation.
3. The act does not establish a matching policy.
4. The act does not give the Reconstruction Finance Corporation specific authority to assist in the development of State administrative programs. The Federal administration under the act has, however, been of such assistance to States in several instances. However, the practice of making advances on short notice and for a period of not more than one or two months has been a severe handicap to sound State planning.
5. The act does not confine the Federal administration's relations to the States. The Reconstruction Finance Corporation has under section E dealt directly with subdivisions of States and under section C has also assumed responsibility jointly with States for allocation of funds to particular subdivisions.
6. Since the act does not provide grants, provisions for homeless and transients have eventually to be financed from local and State treasuries and must necessarily receive only secondary consideration in communities hard pressed for adequate provision for their own residents.

#### THE COSTIGAN-LA FOLLETTE BILL, S. 5125

Comparison has also been made between the policies and practices as stated by this committee and S. 5125, as amended, and reported by the Committee on Manufactures, as follows:

1. The bill does provide that Federal aid shall be given in the form of grants.
2. The bill does vest allocation and Federal administration in a small board especially appointed.
3. The bill does provide for matching Federal funds with State funds, through section 4-A, and also provides a reserve fund which can be allocated by the Federal board on the basis of need.
4. The bill does not specifically provide for the type of State and local administration nor insure the standards of administration which the committee believes are necessary, but sufficient power is given the Federal board to permit, if not to insure, an effective administration.
5. The bill does provide that the Federal board should have its dealings with State governments and not with political subdivisions thereof.
6. The bill does provide for the use of Federal funds for the transient and homeless.

Mr. BLACK. Mr. President, I do not desire to interrupt the Senator's remarks. I did desire, if he had time, to ask him about two questions for my own benefit as to the difference between the two bills so as to have it in the Record.

Mr. COSTIGAN. May I, with due respect, ask the Senator to defer his questions until I conclude? I hope then to have time to answer.

One point made by the report of this subcommittee with respect to the substitute of the Senator from New York [Mr.

WAGNER], by implication at least, is that it does not, except for transients, give relief in the form of grants.

Next, the substitute does not provide a special board to supervise the distribution of the Federal funds, although the Senator from New York in December of last year stated to the Senate that he then favored such independent supervision by experts.

Another suggestion stressed in the report is that a State matching policy is desirable. This is not provided in the substitute of the Senator from New York.

It is further urged that the law enacted last July has not led the Reconstruction Finance Corporation to aid the development of State administrative relief programs; also, that the practice of making short-time advances on loans for periods of one or two months has imposed hardships on State and city planning. So far as I am aware, that defect is not corrected in the substitute of the Senator from New York.

It is also urged that a proper bill—the substitute does not have this limitation—should confine the Federal Government's relief relations to States and not extend them to cities. The effect on municipal credit of the present practice has already been indicated.

The report of experts, therefore, indorses the pending bill, not the substitute offered by the Senator from New York.

But time restrictions compel me to conclude, and, unusual though that course may be, I do so not with the customary appeal for the enactment of the pending measure, the desirability and importance of which are apparent to all. Every heart, except it be of bloodless stone, must be moved by the desperate lot of millions out of work whose proudest boast heretofore has been their American citizenship. Nothing, I venture to say, can justify the continuance of an attitude which does not recognize the necessity for immediate, noble, national relief of human distress due to our economic catastrophe. For good or ill, therefore, it is as certain as anything human can be that the vote of the Senate this afternoon, except for the record, is already a finality.

For sound reasons I conclude by paying tribute to the fine men and women, both in and out of this Chamber, who have been supporting constructive and adequate legislation for Federal relief aid. Especially is praise due to public opinion, which for the most part has been in advance of its leadership. Especially is good government indebted to the independent press, including the publications of organized labor, which has consistently recognized the gravity of human need and has supported the demand for adequate statutory relief. Fortunately, there are to-day, as there were in the heroic past, representatives of living journalism in places of power who believe that the supreme task of the writer is to influence human life continuously in the direction of justice and human welfare.

Mr. President, following my remarks I ask to have inserted in the RECORD a brief editorial on the pending bill from the New Republic, as well as a series of editorials from the Washington Daily News, which have received wide circulation.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

[From the New Republic for February 8, 1933]

The problem of finding enough money for relief of the unemployed is steadily growing more serious. Both private charity and municipal funds are about at the end of their rope, and many of the individual States have also exhausted their resources. The Reconstruction Finance Corporation is reported to have loaned to 37 States \$145,000,000 of its \$300,000,000 fund, but additional needs already in sight will more than eat up the balance. The Reconstruction Finance Corporation, operating on its general policy of giving as little as possible (except to banks) wraps itself in a maze of red tape which the States find it almost impossible to break through. Moreover, the fact that it merely lends the money makes some States hesitate to apply for relief, a fact which in turn contributes to the misery into which at least a fifth of our population is now plunged. Harry L. Hopkins, New York State chairman of the emergency relief organization, estimates that 500,000 families which are in need of relief are not getting it. Even those who are being aided receive pitifully inadequate amounts. The maximum anywhere in the United States is now about \$1 per person per week. In some States it



is only 50 cents. Trying to keep body and soul together on 7 cents a day is only slow starvation.

In view of the inevitable necessities of the next few months, a bill has been introduced in the Senate for further Federal relief. A combination of the Costigan-La Follette and Cutting bills, it appropriates \$500,000,000 to be expended in the next two years. The money would not be granted in the form of loans but as an outright contribution by the American Government to keep American citizens from starvation. Forty per cent of this money would be distributed among the States on a basis of population and the other 60 per cent held in reserve to be sent where the need was greatest. The money would be raised through the sale of Reconstruction Finance Corporation debentures and would, therefore, not constitute an immediate drain upon the Treasury. A special appropriation of \$15,000,000 would be spent in the attempt to rescue America's "wild boys," the hundreds of thousands of lads, mostly between the ages of 15 and 20, whom the depression has turned loose upon the highways. This bill deserves to pass; if it fails to do so in the present Congress, it will be brought up again in the April session which now seems inevitable. Mr. Roosevelt is understood to favor it, and his influence in that session will be great.

[From the Washington News for January 13, 1933]

#### HUMANITY'S CALL

The chief opposition to the Costigan-La Follette \$500,000,000 direct relief act seems to be not that it is superfluous, but that it is without precedent. Here, some are saying, is something new and untried in America, a Federal dole.

Records of the United States Treasury will reassure them. These records reveal that since 1803 the United States Government has responded to the call of distress 114 times.

Seldom before, the records will show, has America failed to come to the aid of sufferers either in far-off lands or at home. Whether the sufferers were victims of flood, fire, or famine or hurricane, drought, or earthquake Uncle Sam has not failed to reach into his pocket, nor has he passed by on the other side.

Since 1812 Congress has voted money to relieve the victims of foreign disasters nine times. In 1919 it granted \$100,000,000 for the American Relief Administration. The American Relief Administration, under Herbert Hoover, distributed a billion dollars in all, feeding upwards of 200,000,000 persons in 20 countries of Europe. At one time it was giving warm meals to 4,000,000 children. Other Federal beneficences abroad included aid to victims of Russian famine; Japanese, Venezuelan, Costa Rican, and Italian earthquakes; Chinese famine; and French West Indian tornadoes.

Our charities begin at home. Since 1803 Congress has made appropriations for domestic relief no less than 61 times. Some of these appropriations appear as loans, most of them as grants. Not counting the \$300,000,000 hunger loan fund made available for the Reconstruction Finance Corporation last year, total Federal disbursements for domestic disaster relief to date amount to \$650,533,362. From 1827, when Congress voted \$20,000 for the relief of fire victims in Alexandria, Va., until last July, when it gave out \$40,000,000 worth of Farm Board wheat and cotton for Red Cross distribution to depression victims, the United States of America has kept up its record as a generous giver.

Never, until now, has Uncle Sam turned deaf ear to humanity's cry. And this time he is deaf to the call from his own people.

The time for Federal giving is here again. It was here a year ago when spokesmen from scores of cities told Congress they were at the end of their resources. Testimony of social workers at the current hearings on the Costigan-La Follette bill shows how much more critical is the need to-day. They estimate from 12,000,000 to 15,000,000 Americans in distress now.

"Unless Federal aid be changed from a loan basis to direct aid, American cities are going to have defaults which will shake not only municipal credit, but the whole credit structure of the United States," said Paul V. Betters, executive director of the American Municipal Association. "Cities are crippling essential services to meet relief needs. They are facing default. The present system only stimulates financial chaos."

[From the Washington News for January 28, 1933]

#### THE WAR ON HUNGER

A hunger relief bill has been voted out of committee and is before the United States Senate for action in the short session. Combining the Costigan-La Follette and Cutting bills, it is a life-line for 3,500,000 destitute families and 1,000,000 homeless youths.

The revised bill separates hunger relief from business and public works loans. A separate board of three, including an expert social worker, would administer outright grants to the States. Of the \$500,000,000 set aside for the next two years \$15,000,000 is earmarked for transient care. These sums are desperately needed.

The country is spending \$1,000,000,000 a year now on relief. More than a third of the unemployed are on charity. But every report proves that the States and communities are about at the end of their resources. Private charities and local public funds are depleted. We have now reached the third phase of the relief campaign, Federal aid.

At the Senate committee hearings two score of relief workers from many States testified. They had come in from the firing line. Practically all of them said that the fight against hunger is

going against them. Practically all urged quick and ample Federal grants.

If anyone doubts that this rich country's enemy to-day is hunger, let him listen to these hunger fighters:

Harry L. Hopkins, New York State chairman of emergency relief: "At a conservative estimate there are 500,000 families in the United States not getting relief who should be receiving it."

Van Bittner, United Mine Workers, Fairmont, W. Va.: "Our people are hungry. Our children are crying for bread. They do not have sufficient clothing to protect them from the blasts of winter."

Dr. Sidney E. Goldstein, Chairman Joint Committee on Unemployment: "Semistarvation is sweeping across the country with the ravages of a plague in its wake."

Dr. Jacob Billikopf, Philadelphia Federation of Jewish Charities: "Many States have no resources to fall back on. The majority of cities are smashed and crippled financially. You can't expect unemployment relief from them."

H. L. Lurie, Bureau of Social Research, N. Y.: "Few of the large relief agencies are giving as much as \$1 a week per person for food and in some of the organized cities the amount has fallen to as low as 50 cents per person per week."

Miss Helen Hall, University Settlement, Philadelphia: "Philadelphia has gone through four periods when there was no money for unemployment relief. Of the 52,000 destitute families left without relief 37 per cent were not getting the normal three meals a day."

Clarence E. Pickett, American Friends Service Committee, on conditions in Kentucky and West Virginia mine regions: "Warm clothing is almost nonexistent. In Kentucky I received notice that three schools had to close because of trachoma. One looks with a certain amount of trepidation to what might happen if millions of our people might come to feel that the State is their enemy."

Karl De Schweinitz, Philadelphia Community Council, on overcrowding due to evictions: "Out of every 1,000 families applying for help 220 families are living with somebody else. One child said: 'In the last year we have lived with six different families. At first they were glad to have us, but after a while they get very tired of you.'"

Samuel A. Goldsmith, Chicago Jewish Charities: "With Chicago standards you would need a Federal fund of well over a billion dollars. It is a terrific figure, but we are in a war."

We are in a war. In the last war we spent \$35,000,000,000 in two years to beat the enemy overseas. Shall we refuse to spend one-seventh of that to beat the enemy at home?

[From the Washington News for February 4, 1933]

#### STARVING CHILDREN

The attention of complacent Congressmen, governors, and legislators is respectfully called to a warning from Health Commissioner Wynne of New York City that the death rate from undernourishment is increasing among children.

Doctor Wynne told the welfare council's health section that 25 per cent of his city's school children to-day show signs of undernourishment compared with 15 per cent a year ago, a fact that probably will be reflected in an increase in the death rate this year. New York's school teachers have spent \$2,000,000 helping feed their pupils. New York State has bonded itself for \$30,000,000 for relief, and New York City leads all communities in the extent of its giving. Yet in these children's homes it is found that the gas has been turned off and many children are eating raw food. Clothing is scanty. Many go to bed with no covering.

"This can not go on much longer," Doctor Wynne declared. Here is an official report from the richest city of the richest State of the richest nation of the world. It shows that helpless children slowly are being permitted to sicken and die from lack of food and warmth.

What is happening in poorer States and communities may well be imagined.

Starvation is a bitter word. Yet there is no other word for the weakening brought on by insufficient and improper food. Starvation of children during a famine may be inevitable. Starvation of children in this well-stocked land is criminal.

Testifying before a Senate committee this week Prof. Haven Emerson said distributed relief is too low to permit "growth of children, to maintain a reasonable degree of resistance to infections of various kinds, or to prevent deterioration of the human stock, if long continued."

Miss Grace Abbott, chief of the United States Children's Bureau, testified that "no one familiar with relief believes the needs have been met anywhere."

Congress should pass the Costigan-La Follette and Wagner relief bills for the winter's fight on hunger.

[From the Washington News for February 9, 1933]

#### WHEN RELIEF STOPS

Half relief for needy families has become a commonplace in this land of plenty. Some American cities and States facing empty treasuries may be interested to know what happens when relief is shut off entirely. This has occurred no less than four times in Philadelphia.

What did its 52,000 destitute families do when the City of Brotherly Love failed them? The Community Council set out to



answer this question. It studied the condition of 400 typical forgotten families. It reported:

"People do not starve to death when relief stops; they just starve by the margin with which life persists, maintained by the pity of their neighbors and by a sort of scavenging on the community.

"The families rustled for themselves as much as they could. A common source of supply for one group was the docks where fruit and vegetables for market are sorted. Children and adults hung around the stalls and snatched at anything that was cast out. \* \* \* Street begging was only occasionally resorted to, likewise the petty thieving of milk and groceries from doorsteps. \* \* \* Children, it seems, had the habit of going to a store and by pleading hunger inducing the grocer to give them a little food. Children ran errands, watched pushcarts, did anything in exchange for fruit or vegetables. The myriad ways in which a family, its entire attention concentrated on food—just food—succeeded in obtaining it constitutes abundant evidence of the ingenuity and perseverance of these people.

"What meals did they get and of what did these meals consist? About 8 per cent were subsisting on one meal a day. \* \* \* Thirty-seven per cent of all families were not getting the normal three meals a day. \* \* \* They kept alive from day to day, catch-as-catch-can, reduced for actual subsistence to something of the status of a stray cat prowling for food."

Chairman Miller, of the Reconstruction Finance Corporation, admits that the Government's hunger relief loan fund will be exhausted by June. If Congress adjourns without replenishing that fund through passage of the Costigan-La Follette and Wagner bills, it will help turn more American families into such as these.

Mr. COSTIGAN. If there is time, it will be a pleasure to answer the questions of the Senator from Alabama.

The VICE PRESIDENT. The Senator's time has expired.

Mr. WAGNER. Mr. President, I have already addressed the Senate at length upon this question. I shall, therefore, consume only a moment to explain what I regard as the difference between the substitute bill and the bill proposed by the Senators from Wisconsin and Colorado.

At the outset I want to say that if there is any implication in the remarks of either the Senator from Wisconsin or the Senator from Colorado reflecting upon my desire to help in providing relief for the destitute I think that my record and my efforts in that regard since I became a Member of this body are a complete answer to any such suggestion or to any reflection upon the sincerity of my activities.

Mr. COSTIGAN. Mr. President—

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Colorado?

Mr. WAGNER. Yes.

Mr. COSTIGAN. I wish merely to state at this time that there was no concealed implication in my remarks with respect to the public devotion and regard for the public welfare, especially in the industrial field, of the able Senator from New York.

Mr. WAGNER. I thank the Senator.

Further than that observation, I shall disregard the criticism made by the Senator from Wisconsin as to the effect of the substitute which I have offered on the question of bringing relief to the destitute. I recognize that in his sincerity and earnestness in behalf of his own legislation he, perhaps, was tempted to overstate his own case. That is a perfectly natural limitation that we all have; and it must, therefore, in my judgment, be overlooked.

Nevertheless, there is no difference between the legislation proposed by me to relieve destitution and that proposed by the Senators from Wisconsin and Colorado except this fundamental distinction:

The payments made to the States under the bill which I proposed are in the nature of loans. The payments made to the States under the Costigan-La Follette bills are outright grants. That is the fundamental distinction and the only distinction.

As to the amount of money which is appropriated or authorized in both cases, there is practically no distinction. I provide \$300,000,000, and that, together with the amount which is still available with the Reconstruction Finance Corporation for the relief of destitution, amounts altogether to \$450,000,000. Under the Costigan-La Follette bill the amount authorized is \$500,000,000, so that at most there is a difference of \$50,000,000.

There is a restriction, however, upon the distribution under the Costigan-La Follette bill which does not exist in

the legislation which I have proposed. And may I say, by way of interpolation, that I have never been much interested in the method of distribution of the funds. What I have been concerned with and interested in was that funds should be available to the States and to the municipalities to feed the needy and the destitute.

Two hundred million of the five hundred million dollars authorized under the Costigan-La Follette bill is to be distributed among the States according to population, with one restriction; and I think under the present economic and fiscal situation of the States and municipalities it is a serious restriction, because it provides that for every \$66 granted under the provisions of the La Follette-Costigan bill a State must match with \$100. So that if a State is in financial straits where its burden has become so heavy that it can not raise a sufficient sum to match the particular fund which would be available under the Costigan-La Follette bill, the sum actually granted will be considerably reduced. I regard that as a very serious restriction. There is no such restriction in the substitute proposed by me.

Mr. COSTIGAN. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. COSTIGAN. The Senator from New York, of course, knows that under the pending bill money not distributed on the 40 per cent basis would be passed into a reserve fund, and that the reserve fund would be available for relief on the basis of need.

Mr. WAGNER. Yes; I think that is so. I have adopted a method of loans and advances, because Congress in the last session decided by an overwhelming vote that it would not authorize the appropriation of these funds except by way of loans or advances to the States, and I do not want to indulge in pure futilities. I do not see that it gets bread to the destitute to stand for some so-called principle of grants as against loans if, in the end, by pursuing that policy, we invite a veto and the hungry get nothing. I took a more pragmatic view of the situation. In my anxiety to see that funds were available for the needy and the destitute, I framed my legislation so as to secure congressional approval and approval at the White House.

Mr. President, in view of the expressions of the President in reference to all legislation of this character, we are simply courting a veto by insisting upon distributing these moneys as grants to the States rather than as loans. It is for that reason that I adopted the loan system.

This is even more than I had wanted to say, Mr. President, except to assure the Senate that there is just this choice between the two bills—namely, are you for an outright grant or are you for advances or loans to the States?

Mr. BLACK. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. BLACK. I desire to ask the Senator one or two questions in order that I may get the difference between the measures clear in my own mind, and perhaps some others may be interested in the questions.

As I understand it, the administration, under the Senator's substitute, would be in the Reconstruction Finance Corporation, and under the Costigan-La Follette bill the administration would be by a board of three to be appointed by the President.

Mr. WAGNER. The distribution of the funds; yes.

Mr. BLACK. Is there any difference between the powers given to the board proposed to be set up under the Costigan-La Follette bill, and the powers to be given to the Reconstruction Finance Corporation, with reference to distribution of funds and supervision of the distribution?

Mr. WAGNER. I could not call it any very great distinction. I think there is a little more detailed provision, requiring plans to be submitted by the States to the board of three, and supervision over the funds to be distributed by the States, which I do not think is present in my legislation, and I doubt whether the power of the Reconstruction Finance Corporation would go quite as far in the way of supervising the distribution of the funds within the States as would the power of the board to be created under the Costigan-La Follette bill.



Mr. BLACK. I might state to the Senator that, as I view it, the powers are practically the same, and the Senator seems to concur in that interpretation.

Mr. WAGNER. I do not quite concur in that. I say that under the Costigan-La Follette bill the powers of actual supervision over the distribution of funds within the State are broader than under the bill which I have offered, and I can see a reason for that. Under the bill I have proposed, the money provided by the Reconstruction Finance Corporation is an advance or a loan to the State, and it becomes the property of the State the moment it is transmitted; whereas under the Costigan-La Follette bill it is Federal money, and under the theory of that legislation the Federal Government has the ultimate power of distribution of the fund within the State. I do not think there is any question about that. I do not think that will be contested by the advocates of the measure.

Mr. COSTIGAN. We contend that the power over distribution would aid in the establishment of sound relief standards.

Mr. WAGNER. Yes; but the Senator does not dispute the statement that under his measure the distribution of the money would really be supervised and directed by the Federal Government.

Mr. COSTIGAN. Not at all.

Mr. WAGNER. The Senator does not dispute that, does he?

Mr. COSTIGAN. The immediate distribution of the funds would be thus supervised, but after the funds passed, the control, of course, would be vested in the separate States as fully as under the Senator's measure.

Mr. LONG. Mr. President, I want to ask the Senator a question, if he will permit, though it is probably directed to both Senators. As I understand it, the difference between the bills is that under the Wagner substitute, as we now have it, the State would receive the money and set up its own organization for the relief of the unemployed. That is our system now.

Mr. WAGNER. The money would be advanced to the States as loans or advances, and then it would become the property of the State, and the responsibility would be on the States to distribute it.

Mr. LONG. Under the La Follette-Costigan bill—

Mr. COSTIGAN. The same result would happen, under the condition that the States would submit in advance the plans under which they proposed to use the relief funds.

Mr. LONG. We do that now.

Mr. COSTIGAN. I do not know what the Louisiana practice is, but the pending measure looks to that course.

Mr. WAGNER. Mr. President, if the distribution is to be the same, and if everything else is to be the same, why the mysterious criticism that under my bill we would have a lowering of standards, and people going destitute and hungry without aid? What justification is there for the criticism that my proposal is an effort to lower the standards of aid to the needy of the States?

Mr. COSTIGAN and Mr. LA FOLLETTE addressed the Chair.

The VICE PRESIDENT. Does the Senator from New York yield; and if so, to whom?

Mr. WAGNER. I yield to all Senators.

Mr. COSTIGAN. Permit me to say, before the Senator from Wisconsin speaks, that for seven months and more we have had in operation the loan practices of the Federal Reconstruction Finance Corporation. The results have been highly unsatisfactory for the reasons already assigned. It is the contention of those best informed in this field that if the Federal Government supervises the distribution of the funds, as in the case of other Federal State-aid acts, it can make more uniform the relief practices to be followed in the States, including the determination of actual relief needs, and can, without interfering with State control, set up highly desirable relief standards, many of which have been totally neglected under the Reconstruction Finance Corporation.

The VICE PRESIDENT. The time of the Senator from New York on the amendment has expired. He has 30 minutes on the bill.

Mr. WAGNER. I will take my 30 minutes on the bill.

I want to ask the Senator from Colorado this question: If the bill which I propose contained a provision for a separate board, would that satisfy the Senator?

Mr. COSTIGAN. Not at all. That would be an admirable addition to the Senator's substitute, but would not correct other defects.

Mr. WAGNER. In other words, the Senator is for a grant rather than for an advance or loan. Is not that the fact?

Mr. COSTIGAN. That is one fact.

Mr. WAGNER. What else is there?

Mr. COSTIGAN. For one thing, the present law, which the Senator from New York desires to perpetuate, results in short-time advances, guarded by bankers, who are thinking in terms of loans rather than the needs of the unemployed, and people in distress are not receiving anything like the relief to which, by intent of the law we enacted, they are entitled. Overwhelming evidence so shows.

Mr. WAGNER. I agree with the Senator, and I therefore view with a good deal of satisfaction the prospect that, after the 4th of March, there will be a rather more sympathetic administration. But I have inquired of a number of the States, and they have not found any fault with the methods in which their applications for funds for the destitute were handled.

I have an appreciation, I want to assure the Senator, of this whole situation. I am not an alarmist, but we have for some time been going along pursuing an aimless policy, putting our heads into the sand and refusing to see the actual facts. In my judgment, an examination of the economic statistics, and an observation of the present misery, as to the existence of which we do not need statistics, convince me that we are in a life and death struggle with the forces of social and economic dissolution; and unless we call upon all the resources of the people of the country, as well as of the Government, to join in this fray we can not prevent disintegration. No one can be more earnest than I am in desiring to bring about the maximum activity on the part of the Federal Government, first, to feed the needy and the destitute so that none shall go hungry or unsheltered; and second, to provide activities by way of a public-works program so as to afford opportunity for employment. We must do these things or we can not arrest the processes of disintegration. There can be no question about what my attitude upon this whole matter is, and I want to make certain that the necessary money will be made available. I am going to be practical enough to propose that sort of bill which will bring aid, and, at the same time, afford reasonable assurance that it will meet the approval of the White House.

Mr. COSTIGAN. Mr. President, there is so much that the Senator from New York has said with which I agree that I hardly know where to begin to state my agreement. As to the economic dangers of the hour I am in entire concurrence with him.

As to the personal qualities of the incoming President of the United States I am also in complete accord, but I confess that I do not wish to deal with legislation on the principle that one President will favorably administer a law and another President will frown on its proper application for the benefit of society. A year ago we similarly met many hidden intimations as to what the President of the United States might do with relief legislation. I believed then as now that it is our duty to legislate, and it is the duty of the Chief Executive to deal with our measures as he deems best under the Constitution. Then as now I favored legislation which is scientific, sound, and humane.

I wish merely to repeat to the Senator from New York that the relief law under which we have been operating has wholly failed to meet the needs of the country. Uncounted thousands in America have been and are at this hour not receiving proper or any relief and are therefore driven to

appeal for miserable pittance to the poor who are good to the poor. Under the loan principle in legislation I am convinced that we shall not reach anywhere the provision for the deserving people of the country that will be achieved under grants for aid provided for in the pending bill.

Mr. WAGNER. The Senator appreciates there is no difference in the amount authorized in the two bills?

Mr. LA FOLLETTE. Only \$200,000,000.

Mr. WAGNER. No. The Senator's bill provides an authorization of \$500,000,000 and my bill, including the amount still available with the Reconstruction Finance Corporation, provides for \$450,000,000. Furthermore, under the La Follette-Costigan bill \$200,000,000 are subjected to severe restrictions, as I have already pointed out. The maximum difference between the two bills is \$50,000,000.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. WAGNER. I promised to yield to the Senator from Kentucky, and I do so now.

Mr. BARKLEY. Mr. President, I do not want to interfere with the colloquy proceeding if it will clarify the situation. Unfortunately for me it has not done so yet. I want to see if I can ascertain just what are the points of difference. I understand the bill of the Senators from Colorado and Wisconsin provides outright an authorization, to be followed by an appropriation of \$500,000,000 out of the Treasury.

Mr. WAGNER. No.

Mr. BARKLEY. I say out of the Treasury. Of course, it is through the agency of the Reconstruction Finance Corporation prior to its extraction from the Treasury. It is coming from the Treasury, no matter whether it comes from the Reconstruction Finance Corporation or outside of it. But it is a grant, not a loan—an outright grant from the Federal Government to the States, which is to be administered here in Washington primarily.

Mr. WAGNER. The plan is to be submitted to a separate board showing the method the States propose to use in distributing the funds.

Mr. LA FOLLETTE. That is now done under the Reconstruction Finance Corporation act.

Mr. BARKLEY. They have simply increased the present \$300,000,000 available, or that was available when we passed the bill last year, by another \$300,000,000.

Mr. WAGNER. Yes.

Mr. BARKLEY. That makes a total of \$600,000,000 to be advanced to the States in the form of loans. We are still entertaining the hope it will be repaid, although we know it will not be.

Mr. WAGNER. That is true.

Mr. BARKLEY. It seems to me unfortunate that those of us who are so much concerned about relief should find differences as to the method of its administration. I am wondering whether the new plan suggested of a grant, and a requirement that plans for distribution shall be set up and submitted in advance, will in any way interfere with or operate to destroy or make useless the machinery that has already been set up in the States for the administration of the funds which have already been available. Unfortunately I was engaged elsewhere and did not hear the category of criticism made by the Senator from Colorado against the present method of distribution.

In my own State, with the exception of some dissatisfaction growing out of the fact that instead of paying money to the people they pay groceries and supplies, I have had no complaints as to the administration of the fund. The Reconstruction Finance Corporation has completely and fully complied with the requests which have been made by the governor of my State, which have been based upon expert information obtained from all the counties, and that expert information brought to Washington and submitted to the Reconstruction Finance Corporation. With very few exceptions, it has been accepted by the authorities here and the loans or allotments made upon that basis.

So far as I am concerned, I would object to any scheme by which the expert forces that have already been set up in the States to gather information upon which to base the distri-

bution of this relief are to be rendered useless and done away with in order that some other State officers or agencies may be set up in the States.

I am wondering in what particular there is a difference between the bills in that respect?

Mr. LA FOLLETTE. Mr. President, will the Senator from New York yield further? He has been very generous.

Mr. WAGNER. I am glad to yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. I wish merely to say to the Senator from Kentucky that there will be no such scrapping of the existing machinery as he contemplates, because the pending bill provides that the governor shall designate the agency through which the Federal relief board is to turn over the money for distribution.

Mr. BARKLEY. As a matter of fact, we know that already they are submitting to the Reconstruction Finance Corporation in advance in each county—

Mr. LA FOLLETTE. If the Senator will take 10 minutes to read the report submitted by the committee, he will know all about the pending bill.

Mr. WAGNER. If that distribution is satisfactory, I do not see the point in setting up another bureau appointed by the President of the United States to do the same thing.

Mr. BARKLEY. That is my difficulty.

Mr. WAGNER. However, I am really sorry that so much time is being taken up on the method of distribution. The fundamental question is, Are we prepared to abandon the theory of a loan or an advance to the States, to which we have adhered thus far, in favor of an outright grant to the States? That basically is the difference between the two bills. The other differences involve details which we are exaggerating and which are not really very important.

Mr. BARKLEY. Mr. President, will the Senator yield further?

The VICE PRESIDENT. Does the Senator from New York yield further to the Senator from Kentucky?

Mr. WAGNER. Certainly.

Mr. BARKLEY. I do not know what it will lead to if we are now to depart from the theory of making loans and embark upon the absolute grant of money out of the Federal Treasury to the States. We must not overlook the fact that last week there was a delegation of mayors in the city of Washington who appeared before the Committee on Banking and Currency, of which the Senator and I are both members, asking that the Federal Government advance to those cities money out of the Federal Treasury with which to meet maturing obligations on their bonds. If we can do that as to past expenses, the next step will be to advance money out of the Treasury to carry on the cities in all of their relationships to the people in the communities where they exist.

I am wondering just how far we are going to be able to go in loading down the Treasury of the United States in Washington with the burden of operating all of the subdivisions of our Government, to wit, the States, counties, and cities.

Mr. WAGNER. As a matter of fact, the Senator should have added that one of the other proposals of the mayors called for loans to finance the operating expenses of the municipalities in addition to the meeting of maturities.

Mr. BARKLEY. If the Treasury at Washington is to take over the operation of the cities, I suppose it would have the right to demand that whatever taxes are collected in those cities shall be turned over to the Federal Treasury as an offset against the expenses of operating the cities. If we are to start in on that sort of a program, we might as well abolish State lines and county lines, cities and municipalities, and say this is one large Federal Nation and all of its branches are to be operated here in Washington.

Mr. COSTIGAN. Mr. President, will the Senator yield further?

Mr. WAGNER. Certainly.

Mr. COSTIGAN. The Senator from New York will doubtless allow a word in reply. The Senator from New York has been contending that under his loan provisions we are



to give the same relief aid to the States as under grants. If that be true, much of our discussion has been irrelevant. We are planning to relieve the hungry and starving in this country under either plan. Our contention is that we are going to do that better by grants than by loans.

In the State of Kentucky, under the loan plan, children have been going blind for lack of food and relief help. The real tragedy there, as I view it, is that under the loan law, as operated by the Reconstruction Finance Corporation, not enough money has been loaned to Kentucky to take care of these unfortunate victims of our economic depression. That is one of the defects we criticize in the law, but only one.

Mr. BARKLEY. Congress put upon the shoulders of the governors of the States the obligation of asking for funds. The governor has asked for funds. In my State they have been granting every dollar the governor has asked for. He based his request on expert investigation and information, not furnished by State or county officials or by candidates for office, but by social workers who are trained in the art of understanding the needs of the people. If the Reconstruction Finance Corporation has not loaned the money that was needed it has been either because the governor did not request it—and I am sure that he did request all that was represented to him as being needed—or we did not make enough money available in the first place for the Reconstruction Finance Corporation to make loans to the States.

Mr. COSTIGAN. As pointed out before the Senator from Kentucky entered the Chamber, there are some States from which no requests have come for funds, where nevertheless semistarvation exists. Under the loan act some governors have not applied for Federal aid, for one reason or other. Presumably they could not or would not commit the credit of the States for such loans or they concluded that the States would be so obligated to return borrowed funds and it was not desirable to make the necessary applications.

Mr. WAGNER. May I ask the Senator what particular State has failed to make application because of the requirements of the law?

Mr. COSTIGAN. My statement was that presumably the requests had not been made because of constitutional restrictions or because of the obligation resting upon the State to return the funds.

Mr. WAGNER. But the Senator does not know of any case?

Mr. COSTIGAN. I do not attempt to speak for particular States. However, I understand that the State of New York, for one, made no such request until recently, because of constitutional restrictions, and because the head of that State would not take the pauper oath and go to the Reconstruction Finance Corporation with his hat in his hand. Yet the evidence shows that there are thousands of families in New York State which have not been receiving adequate or any relief under Reconstruction Finance Corporation management.

Mr. WAGNER. I can say, however, that New York State was given the loan it sought. It asked for a specific sum and that loan was made.

Mr. COSTIGAN. Under a very recent request?

Mr. WAGNER. Yes; a very recent request.

Mr. COSTIGAN. But for months and months, until the present Governor of New York came into office with his notably humanitarian outlook, no such request was made.

Mr. BARKLEY. Mr. President, will the Senator yield further?

Mr. WAGNER. Certainly.

Mr. BARKLEY. A State certainly is not to be criticised, nor the governor of that State, merely because he does not rush in as soon as the gate is open to get his share of the sum set apart by Congress. I think it is rather to the credit of any governor who did not apply for a loan until it was necessary to do so.

Mr. COSTIGAN. No such criticism is justified by anything I said.

Mr. WAGNER. I might say so far as New York State is concerned that application was not made until it was abso-

lutely necessary to seek the supplemental aid of the Federal Government because of the terrific burden which we have carried for several years.

Mr. LONG. Mr. President, will the Senator from New York yield?

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Louisiana?

Mr. WAGNER. I yield.

Mr. LONG. I have not been able to be here during the discussion which has occurred on this bill.

Mr. WAGNER. So I read.

Mr. LONG. The Senator from Colorado [Mr. COSTIGAN] goes on to state that there are a number of people not receiving help under the present law, who, as I understand, he intends to take care of under his bill. Just wherein does the matter come in, whether it is a grant or a loan, by which, under the La Follette-Costigan bill, they are going to be taken care of? That is what I am trying to get at.

Mr. COSTIGAN. Mr. President, will the Senator from New York yield?

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Colorado?

Mr. WAGNER. I yield.

Mr. COSTIGAN. In the first place, Mr. President, under the grant provisions of the pending bill there would be an outright appropriation of 40 per cent of the funds provided for to the various States, with a qualifying provision as to the amounts raised in the separate States. There would be an immediate sum of money placed in the hands of the governor of each State of the Union for relief purposes. The balance of the money would go into what is termed a "reserve fund" to be used on the basis of need.

At present nothing may be secured under our relief law for unfortunates where relief is urgently needed, except through applications for loans, which may or may not be granted by the Reconstruction Finance Corporation. There is one distinguishing feature.

Beyond that, there is under the pending bill better opportunity for expert management. Surveys would doubtless be made of human needs, and relief standards provided more effectively to take care of those who are starving.

Mr. LONG. Mr. President, if the Senator from New York will yield further, I happen to know that my State was the first one that received one of these relief loans. We had had a welfare organization in Louisiana administering a fund which had been raised by private subscription. The Reconstruction Finance Corporation adopted the same system which we had been using to dispense the funds under the Wagner bill, and I have been told that that is the basis on which a large majority of the States have been dispensing the funds. I have not been able to see any material difference. We do not ever expect to pay that money back; we have borrowed it, and we say it is a loan; but we know we are never going to pay it back, as the Senator from Kentucky says. So I do not see what difference it really makes. I do not think a governor will hesitate to ask for it under either one. I can not see why he should. The provision as to 20 per cent of the Federal relief funds for public roads does not mean anything to anybody. I do not see the difference. I may be wrong and I may not understand the bill.

Mr. COSTIGAN. Mr. President, if the Senator from New York will yield further—

The VICE PRESIDENT. Does the Senator from New York yield further to the Senator from Colorado?

Mr. WAGNER. I yield.

Mr. COSTIGAN. The Senator from Louisiana certainly sees the difference between funds passed out by those who treat and use those funds with a banker's caution and funds used with a view to human relief. This is the most notable difference between the two proposals. No one has been more frankly critical of Reconstruction Finance Corporation management under the present relief act than the Senator from New York in the past. He led the protests on this floor on December 19 last, and insisted that the hour had come for an expert board to take charge of Federal



relief, so that we might have an end to the present penny-pinching attitude in passing out relief aid.

In the case of Louisiana doubtless similar results would be attained after you had in your hands the amounts allotted for relief.

Mr. WAGNER. Mr. President, I might say to the Senator from Louisiana that—

Mr. LONG. Please do not read the figures.

Mr. WAGNER. I will have to read them. The Reconstruction Finance Corporation has already advanced for the relief of the destitute in the State of Louisiana the sum of \$4,751,333.

Mr. LONG. I understand it has loaned \$6,000,000.

Mr. WAGNER. The State has received \$2,000,000 since?

Mr. LONG. Yes, sir.

Mr. GLASS. The figures I have here show the loan to have been \$7,600,000.

Mr. LONG. I do not think we would get very much under this bill.

The VICE PRESIDENT. Senators will address the Chair.

Mr. LONG. I beg pardon. If the Senator from New York will yield further, I desire to say that we have received in Louisiana between six and seven million dollars. Now, as I understand, my State would get, under the La Follette bill, around \$3,000,000, would it not?

Mr. COSTIGAN. That is, I believe, under the 40 per cent provision.

Mr. WAGNER. And the State would have to match that.

Mr. LONG. We would have to match it.

Mr. WAGNER. The State would have to match it 100 for 60.

Mr. LONG. We can not match anything.

Mr. COSTIGAN. But the State would not have to match a penny if it could not do so.

Mr. LONG. If we made a pauper's oath to show that we could not.

Mr. COSTIGAN. The State would apply for relief under the reserve fund.

Mr. WAGNER. Mr. President, has my time expired?

The VICE PRESIDENT. The Senator has one more minute.

Mr. GLASS. Mr. President—

Mr. WAGNER. Does the Senator from Virginia desire to ask me a question?

Mr. GLASS. I do not think the Senator could answer the question that I propose to ask in one minute.

Mr. WAGNER. I surrender the floor.

Mr. GLASS. Mr. President, the question I intended to ask the Senator from New York, which he may answer in my time, is, Where do Senators expect this money to come from? Is it to be picked out of the air or is it to be donated to us by some foreign government? We talk about aiding the States, but it has puzzled me to determine just precisely how it is aiding the States if we tax the people of the States, bring their revenues here and impound them in the Federal Treasury, and then erect a Federal system of distribution of money that we have taken from the States, doling it out to States as the judgment of these Federal minions may dictate.

I conceive the idea that the people of Virginia, through their State administrative authorities, are vastly more competent to determine the needs of that State than is any Federal board instituted here at Washington. After all, the only way for the Federal Government to get any money, unless resort is had to the printing-press expedient, is to take it from the pockets of the taxpayers of the respective 48 States; and it is beyond my human wit to determine how we are aiding the States when we first take the money from their taxpayers, bring it here to Washington, and then, as I have said, dispense it in dribbles back to the States as the humanitarian instincts or judgment of a Federal board may suggest.

One of the Senators has suggested that he does not expect his State to pay this money back, and I do not either. I note here, and I am ashamed to note it, that the State of Virginia has borrowed \$2,700,000 from this fund. I would feel utterly ashamed of Virginia if I could think that she

was not able and competent to take care of her destitute without coming here to Washington like a mendicant, hat in hand, and asking for what? For a Federal fund? Yes; but a Federal fund acquired first from the taxpayers of Virginia, for the only way the Federal Government can ever get any money into its Treasury is by taxing the people of Virginia and the American people generally.

The administrative officers of Virginia are better able to determine the processes of humanitarian aid to destitute people than is any board that we may constitute here in Washington. The Reconstruction Finance Corporation funds that have been distributed in my State have been distributed by persons of intimate and expert knowledge of conditions there, by persons who may not be easily imposed upon, by persons who can not be misled by this often exaggerated humanitarian plea. My humanitarian instincts were taken advantage of last week by a fellow who got \$10 of my money—and did not deserve 10 cents of it [laughter]—by telling me that he had his wife and children in an automobile in front of the Senate Office Building and they were without anything to eat, when in fact he had no wife and no children. [Laughter.] That sort of thing could not occur in Virginia in the distribution of Virginia funds that had first been taken out of the pockets of the taxpayers of Virginia and impounded here in the Federal Treasury, to be dispensed either by the Reconstruction Finance Corporation or by this additional Federal institution called a board of distribution. So I would be very much obliged to any Senator who could convince me that this is aid to the States rather than a very expensive method of distributing funds first collected from the taxpayers of the States.

Mr. President, I have cast my last vote in the Senate for these temporary expedients providing so-called relief. If I could, I would vote to-morrow to abolish the so-called Reconstruction Finance Corporation. It has not been a reconstruction finance corporation; it has been a "destruction corporation." It has merely deferred the agony, postponed the pay day for all except those States that do not expect to pay this money back, and that will not pay it back. By alarmists we here have been hurried into the passage of measures tendered for curative purposes, but which in the end are proving, and are going to continue to prove, worse than the disease sought to be cured. I am not going to vote for any more of them. I am going to vote first for the proposed amendment, with a suggested modification, of the Senator from New York [Mr. WAGNER], and then I am going to vote against the whole thing. [Laughter.] So much for the vocal aspects of the case.

I now wish to suggest to the Senator from New York that he has a provision in his amendment and in his proposed substitute which I think is of a very dangerous nature. That is the requirement that these loans of State money back to the States shall bear a rate of interest not exceeding one-half of 1 per cent more than the rate of interest established for the last issue of bonds of the United States.

Mr. McKELLAR. Mr. President, what page is the Senator reading from?

Mr. GLASS. I am reading from page 4 of the substitute, but I have indicated the text of the requirement. That is to say, this money of the States, accumulated here in the Federal Treasury, may be loaned back to the States at a rate of interest not exceeding one-half of 1 per cent above the interest rate established by the last preceding bond issue of the Federal Government.

If we adopt that suggestion, there is not a State nor a community in a State that will issue its own securities to meet the requirements of the State or community. Every township, city, community, and State will come here to borrow money from the Reconstruction Finance Corporation, or from the board proposed by the other bill, rather than to issue its own bonds, because there is not a State or a community that very likely will be able to issue its own securities at as low a rate as this proposed provision would require.

For example, only the other day, in consultation with a gentleman who is soon to assume the office of Chief Magistrate, he sought my judgment as to whether it might be



possible to float a 5-year Federal bond issue at 2½ per cent. I did not think it might be so.

Mr. BULKLEY. Mr. President, will the Senator permit me to suggest the absence of a quorum?

Mr. GLASS. Oh, no, no. I am obliged to the Senator, but I do not want to trouble Senators to come here to hear what I have to say. I gave it as my judgment that it would be an exceedingly difficult thing to do, because of the fact that every day we are proposing raids here upon the Federal Treasury. Suggestions are being offered involving the very integrity and honor, as well as the credit, of this Nation.

The mortgage-bond market already has been wrecked, so that no person with funds to invest who is yet outside the lunatic asylum would have so little sense as to invest in mortgage bonds, when the Congress and the legislatures and the governors are assuming the function of declaring moratoriums on credits. The Federal land-bank bonds are to-day at a frightful discount, although they are exempt from taxation; and but for the general misapprehension that these securities are guaranteed by the Federal Government—which is not true—their market value would be infinitely lower to-day than it is. The land banks have not been able to sell one of their bonds now for nearly three years. They could not sell one to-day to save their lives.

For these and a multiplicity of other reasons that might be cited here, I say it is very doubtful whether the Federal Government could issue a 5-year bond at any 2½ per cent interest rate. But, assuming that it could do so, then the Reconstruction Finance Corporation in one case and the Federal board of distribution in another case, would loan the funds of the States thus acquired at 3 per cent. Does the Senator from New York imagine that the great metropolis from which he comes could to-morrow float its bonds for 3 per cent?

Mr. WAGNER. It could in normal times.

Mr. GLASS. I am talking about now. I am not talking about normal times. We have not had normal times for 10 years.

Mr. WAGNER. Oh, yes!

Mr. GLASS. No; we have not. We had an era of insane gambling and speculation for 10 years that eventuated in the crash that any man of discernment should have foreseen.

The VICE PRESIDENT. The Senator's time on the amendment has expired. He has 30 minutes on the bill.

Mr. GLASS. I shall not require that long, Mr. President.

The Senator from New York knows perfectly well that New York City could not float its bonds to-morrow at 3 per cent; and why should it, when it may come here to the Reconstruction Finance Corporation and borrow millions of dollars at a lower rate of interest, or come to this humanitarian outfit that is about to be set up?

Mr. WAGNER. Mr. President—

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from New York?

Mr. GLASS. Yes; I yield.

Mr. WAGNER. If we had a normal bond market, where issues could be had at the normal rate of 3 or 3½ per cent, we never would have erected the Reconstruction Finance Corporation.

Mr. GLASS. We never should have erected it.

Mr. WAGNER. That is a difference of opinion. I do not know where we would be without it.

Mr. GLASS. I know where we would be. We would be on the road to recovery in this country if we had never erected the Reconstruction Finance Corporation.

Mr. WAGNER. After many a tragedy.

Mr. GLASS. Could we have any greater tragedy than we are experiencing right now?

Mr. WAGNER. I think we might have had.

Mr. GLASS. No, Mr. President! We have set a precedent that will return to plague Congress for the next half-century or more. Every contemplated raid on the Federal Treasury, every proposed exhaustion of the taxpayers' funds brought here to Washington has for its excuse now, "You have loaned hundreds of millions of dollars to railroads; you have

loaned other hundreds of millions of dollars to decrepit banks, and there is no reason why you should not loan hundreds of millions of dollars to us." That is the cry, until we are rapidly approaching the point where the credit of this Nation will be impaired, and we will not have any "normal times" for a long time to come.

In setting up this abominable home-loan bank, people talk about homes as if one that was sold under mortgage disappeared from the face of the earth, instead of being bought by some worthy person to live in—some person who exercised great discernment and a greater degree of thrift than the man who procured the mortgage on his home in order that he might ride in an automobile and spend the proceeds of the mortgage for gasoline.

Mr. WAGNER. We are on common ground now.

Mr. GLASS. Building new homes! We had better be able to rent those that we already have. I can not rent mine, and if the Senator has one he can not rent his.

Mr. WAGNER. I have not any.

Mr. GLASS. We talk about railroad receiverships as if when a railroad is put in the hands of a receiver it disappears from the face of the earth; as if the receiver does not have to hire engineers and firemen and brakemen and conductors and trackwalkers and clerks. The only thing he does not have to do is to pay \$150,000 salary to a president. We imagine, it seems, that the railroad disappears physically from the face of the earth when it goes into the hands of a receiver. I will tell the Senator from New York that the only way we are ever going to get a reconstruction, a reorganization of the exaggerated financial set-up of these railroads, is to put some of them, many of them, in the hands of receivers.

Mr. WAGNER. Mr. President, the Senator is talking to me as if I were in disagreement with him upon that proposition. I am not a defender of the loans to the railroads; quite the contrary. We are on common ground in the present criticism of the Senator.

Mr. GLASS. I am glad to know that I have the academic sympathy of the Senator from New York; but when it comes to the practical part of it, when it comes to appropriating other millions of dollars—

Mr. WAGNER. To put people to work.

Mr. GLASS. Oh, to put people to work! They are being put to work on the roads in my State, and Virginia is going to pay it back. It is the only State in the Union that has reduced its public indebtedness during this time of depression. Its bonds stand at par in the money market; and I am ashamed of it when it comes up here and borrows \$2,700,000 from this abominable Reconstruction Finance Corporation to put people to work on roads. We have converted every hog path in the State into a hard-surfaced boulevard. [Laughter.]

But to get back to this unhappy proposed provision of the law not permitting the Reconstruction Finance Corporation to charge an interest rate in excess of one-half of 1 per cent above that of the latest bond issue of the United States, it is nothing in the world but an engraved invitation to every State and every community in the States to do its borrowing here from the Reconstruction Finance Corporation instead of issuing its own securities and selling them on the open market. Why, even your land banks charge 1 per cent above the rate of their last issue of bonds.

A Senator suggests to me in private conversation that the Reconstruction Finance Corporation has been charging an excessive rate of interest. Well, if the loans are not going to be paid back, as some Senators suggest, what difference does it make? [Laughter.] I say that if we can not trust the Reconstruction Finance Corporation to deal with this matter in a businesslike as well as in a humanitarian way, then we ought to get another board of directors of the Reconstruction Finance Corporation; if we do not adopt my saner view of abolishing the whole contraption. [Laughter.]

Mr. LONG. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Louisiana?

Mr. GLASS. Yes.



Mr. LONG. I just want to observe that the statement I made was not my own statement alone. It was also the statement of the Senators from Virginia and Kentucky.

Mr. GLASS. I did not relate the statement to Virginia.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. GLASS. Yes.

Mr. WAGNER. We do not want to get confused in our statements. The reference of the Senator was to the amount advanced for the relief of the destitute and the needy, which is an entirely different proposition from that with which the Senator is dealing. As to the amounts advanced to relieve destitution and need, the law now fixes the rate of interest at 3 per cent. They could not go beyond that. This deals with advances and loans for public projects needful and in the public interest.

Mr. GLASS. That I know, and any State that is reduced to that degree of penury that it has to come here and ask for a return of a part of the money its taxpayers have paid into the Federal Treasury ought to be required to pay a reasonable interest rate, and the proposed rate would not be a reasonable interest rate. I think that is a reasonable rate which honorable business men, constituted with the serious duty of administering the Reconstruction Finance Corporation, may determine to be in the circumstances the proper interest rate. We may not intelligently determine that here. The board of directors of the corporation must determine that as circumstances warrant it should be determined.

Oh, I look over this list, and see the name of the great State of Pennsylvania, second in population and in wealth, if not first, among all the States of the Union, coming here to Washington to borrow \$26,000,000 of the taxpayers' money from the Federal Treasury to take care of the destitute in that State. I venture to say that there is not a respectable community in the United States with any humanitarian spirit whatsoever that is unable to take care of its destitute, not one. The great State of New York is modest beyond compare when contrasted with Pennsylvania; it borrows \$6,000,000. Where do we get the \$26,000,000 and the \$6,000,000? We take it out of the pockets of the taxpayers of the State of the Senator from New York more largely than from the taxpayers of any other State, because the taxpayers of his State have taken it out of the pockets of all the people of the country put together.

I hope the Senator will regard my suggestion with some degree of toleration that this provision of the bill ought to be stricken out, and that we should continue to confide to the business as well as to the humanitarian instincts of the board of directors of the Reconstruction Finance Corporation the duty of lending this money at a reasonable rate of interest, as the circumstances may determine.

Mr. WAGNER. Mr. President, I have exhausted my time. Will the Senator yield?

Mr. GLASS. I yield.

Mr. WAGNER. I shall not agree to a proposal to strike out the section altogether unless the Senate insists upon that procedure. I am quite willing, however, to extend the spread from one-half of 1 per cent to 1 per cent, which would, under present circumstances, bring the rate up to 4 per cent. Of course, the Senator does not believe in the philosophy of this whole proposition of permitting municipalities and States—

Mr. GLASS. I do not think it has any philosophy. The Senator means the fancy of it.

Mr. WAGNER. No; I do not. I think it is the only way we have now available to put people back to work, and to start on our road to recovery. No one has suggested an alternative. But the Reconstruction Finance Corporation has operated its functions as an ultraconservative business institution, looking for large profits, instead of charging a fair rate of interest above that which they pay for the money, so that the municipalities may get the money at a rate which the municipalities in normal times could secure in the open market. Instead of that, they have made it impossible for these municipalities to accept the loans because of the high rate of interest imposed, 5½ and 6 per cent,

which is 2 to 3 per cent more than the municipalities are required to pay in the open market in normal times.

We created this instrumentality to take the place of sources of aid in normal times, to help the communities to further their projects, to put people to work, in order to help in this difficult situation, to give people employment rather than charity. I think the country is in favor of that policy, irrespective of the opinion of the Senator from Virginia, from whom I rarely differ.

Mr. GLASS. I do not think the country knows anything about it, and I have come to the conclusion that we knew so little about it as that we permitted ourselves to be rushed off of our feet to adopt all of these psychological expedients or, as I once called them, psychological poultices.

I recall that the State of South Carolina, which has maintained its financial integrity and credit for years, was unable to float an issue of \$500,000 of 5 per cent bonds for constructive purposes in that State in 1929. Yet here now it is proposed that we invite South Carolina, and States and communities similarly situated, to come to Washington and borrow back the money which they have paid into the Federal Treasury at one-half of 1 per cent more than the next succeeding bond issue, whatever that may be.

Mr. WAGNER. Prior bond issue.

Mr. GLASS. Yes; prior to this loan. That is the next succeeding bond issue, unless the distinguished Senator from New York imagines that the Federal Government can go on paying out millions upon millions of dollars without engaging in another bond issue.

Mr. WAGNER. I think these enterprises, if they are inaugurated, will so stimulate business, so prime the pump, that there will be no difficulty in collecting taxes. I do not want to interrupt the Senator any further—

Mr. GLASS. I have about concluded. I am glad to have the Senator interrupt me.

Mr. WAGNER. I want to say this, that witnesses appeared before our committee from all over the country, and they had a list of interest charges in normal times to municipalities and to some States on money borrowed to finance their own projects, and in many cases the rates were below 3 per cent, and were rarely ever above 4 per cent. If the language here is changed to read "1 per cent above the interest rate of the last bond issue," we will permit the Reconstruction Finance Corporation to charge 4 per cent for loans, which is as high as it ought to go.

Mr. GLASS. Mr. President, I am in favor either of discharging the Reconstruction Finance Corporation, or permitting them to exercise their business judgment upon these loans as circumstances require, and I think they can do it a long way more intelligently than we can.

Talk about normal times! Have we done normal things under the administration of the Reconstruction Finance Corporation? Sixty-five million dollars of the taxpayers' money has been loaned to build a concrete bridge across San Francisco Bay, and millions upon millions of dollars for projects of that kind. The people from my State have come here to get my influence—which I do not possess—to have bridges built across the James River, and the York River, and the Potomac River.

Mr. WAGNER. Mr. President, would the Senator stop all progress?

Mr. GLASS. No; but I would stop all raids on the Federal Treasury if I could.

Mr. COUZENS. Mr. President, will the Senator yield to me?

Mr. GLASS. I yield.

Mr. COUZENS. May I ask the Senator, who has had long experience in banking, if he has reached any estimate as to the number of securities the Federal Government will be able to sell?

Mr. GLASS. If we keep on at the present rate, it will not be able to sell any.

Mr. COUZENS. Is there any limit, in the Senator's mind, as to what we might be able to sell?

Mr. GLASS. I understand we will have to fund \$600,000,000 of bonds by the 15th day of March. I do not know at what



rate of interest that may be done. We will have in a brief period of time to fund \$6,000,000,000 of maturing Government bonds. I do not know at what rate that may be done. We will have in the not very distant future to fund \$11,000,000,000 of Government bonds, and if we keep on raiding the Federal Treasury—

Mr. COUZENS. We have now outstanding, in all forms of securities, nearly \$21,000,000,000.

Mr. GLASS. Yes.

Mr. COUZENS. Does the Senator believe we could continue to extend that amount until we reached \$35,000,000,000?

Mr. GLASS. Perhaps so, unless we are to adopt some of the suggestions that have been presented here. Undertake a devaluation of the gold dollar by curtailing its grain content 30 per cent, and I do not think we would be able to sell another Federal bond at any rate of interest. Undertake by legislation to dishonor this Nation, to say that the requirements denominated in the bonds—\$21,000,000,000 of them outstanding—shall not be complied with; undertake to assume authority as has been suggested may be done, to vitiate millions of business contracts that have the gold payment denominated in the bond, mortgage, and other bonds, and the Federal Government will not be able to sell anything, but, on the contrary, there will not be enough free gold left in this country with which to do the dentistry work. In 60 days we would wipe out our Treasury gold reserve, and would wipe out the gold reserve of the banks.

There are in process now demands for redemption. In one great city on last Friday \$3,000,000 of currency, paper promises to pay, were exchanged for gold for the strong boxes, and the following day a greater sum, and if we keep on at this rate God only knows how long the credit of the Federal Government may be maintained.

Mr. LONG. Mr. President, will the Senator yield to me?

Mr. GLASS. I yield.

Mr. LONG. The Senator states that breaking up private contracts would lead toward this terrible result he mentions. Did we not break up many private contracts in 1920 and 1921, when fares were fixed by contract and rates were fixed by contract, thousands and probably hundreds of thousands of them, and because the dollar was worth only 60 cents, did not the Supreme Court of the United States say they had to yield to regulation, and did it not strike them all out? What is the difference now, when the dollar is worth \$1.66, if regulation does the same thing?

Mr. GLASS. I observe a great deal of difference. I am not to be drawn off into this hypothetical discussion. The Senator from Michigan, who is a practical business man, asked me a common-sense question and I tried to give him a common-sense answer.

Mr. LONG. I do not suppose the Supreme Court's answer was any good in 1920. I do not suppose the Supreme Court's answer in 1921 was common sense, but they did what I have stated.

Mr. GLASS. Well, I have known some people to question the common sense of the Supreme Court, and I do not believe the Supreme Court has ever rendered any decision that resulted in the vitiation of a contract, because they could not constitutionally do it. But happily I am not a constitutional lawyer.

But again I appeal to the Senator from New York to leave the determination of practical matters like this to the Reconstruction Finance Corporation, should his substitute prevail, and to the business instinct of the proposed new corporation should the Costigan-La Follette proposal prevail, because they can better determine the matter than we may do here. That is all I have to say.

Mr. WAGNER. I do not want to be obstinate about any provision—

Mr. GLASS. I know none of us ever is.

Mr. WAGNER. I do not want to be, except that all of the efforts of Congress to bring about a large program of municipal and public works have been frustrated by the Reconstruction Finance Corporation in charging what I regard under present conditions as exorbitant rates of interest.

It was in order to control that by at least fixing a maximum that I put that provision in the bill. If the Senator feels that a restriction ought not to be placed upon the loans and it ought to be left to the discretion of the board, I shall not complain one way or the other.

Mr. GLASS. I am glad to have that assurance from the Senator. As a matter of fact when the Reconstruction Finance Corporation loans \$65,000,000 to build a bridge, I think they ought to get a pretty stiff rate of interest on a loan of that sort, and on loans for many of the other projected public works.

Mr. BORAH. Mr. President—

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Idaho?

Mr. GLASS. Certainly.

Mr. BORAH. The trouble is that we do not know what kind of a rate of interest they will charge, whether it may be small or what. It seems to me a tremendous power to give these people.

Mr. GLASS. The fact that they have not charged a lower rate of interest than that proposed prompts my suggestion. As a matter of fact the complaint of the Senator from New York and those who inspired this suggestion is that the Reconstruction Finance Corporation has charged a rate of interest which will give some slight assurance that it is not going to lose the taxpayers' money. The Senator from New York talks about conducting the business with an eye to profit. I would like to contribute to a fund to buy a microscope powerful enough to discover any profit the Reconstruction Finance Corporation will ever get out of the business.

Mr. BORAH. I quite agree with the Senator in that respect. I think a large amount of the debate that has been going on for the last day or two on this question as between the two propositions is not very conclusive, for the reason, whether we adopt the one plan or the other, we are not going to get this money back, in all probability.

Mr. GLASS. I am not prepared to dispute that. Pride of State makes me believe and here declare that the Federal Government will get back Virginia's loan. If not, I shall be much more ashamed of her than I ever expect to be.

Mr. BORAH. Where is the pride of a great State which comes down here and asks a loan of \$26,000,000?

Mr. GLASS. There is not any. That is what I complain of. We have wiped out all State pride in this country and become a nation of mendicants.

Mr. BORAH. Where is pride of State when the great bankers come down here and ask the Reconstruction Finance Corporation to loan a railroad company \$24,000,000?

Mr. GLASS. What has become of the sanity of the administrators of the railroads when they come here and ask us to make loans to the railroads without any collateral security at all? It reminds me of an episode in my own life, when I was addressing the Chicago Association of Commerce in 1914. My companion on the rostrum was Private John Allen, of Mississippi. He told the assembled audience that he had been induced to come there for two reasons only. One was to correct a painful impression that had gotten abroad; that as he was approaching Tupelo a few days theretofore a stranger approached him and asked him the name of the town and he told him. He said, "Yes; Tupelo. That is where John Allen used to live. Poor old fellow; he is dead now." Private John Allen wanted to correct that impression.

Then he said; "I wanted to meet the chairman of the Banking and Currency Committee of the House of Representatives face to face and insist to him that the Federal reserve act should be so modified as to permit a man to borrow money from a bank without collateral and, if the bank insisted upon collateral, to declare in the statute that the borrower should be the judge of his own collateral." [Laughter.]

The railroads are now taking that view, that they should be loaned the taxpayers' money without any collateral whatsoever. The distinguished Senator from Michigan [Mr.

COUZENS] who now rises to his feet, has reported to us that upon his examination he finds that the collateral already lodged is inadequate for its purposes.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. GLASS. Certainly.

Mr. COUZENS. Will the Senator from Virginia support an amendment to the pending bill to repeal the provision of the Reconstruction Finance Corporation act which permits it to loan to railroads?

Mr. GLASS. I will.

The VICE PRESIDENT. The time of the Senator from Virginia has expired.

Mr. GLASS. I am glad of it! [Laughter.]

The VICE PRESIDENT. The question is on the amendment of the Senator from Minnesota [Mr. SHIPSTEAD] to the Wagner amendment, which will be reported.

The CHIEF CLERK. At the proper place insert the following:

SEC. —. The Reconstruction Finance Corporation is authorized and empowered to make loans, in an aggregate amount of not to exceed \$25,000,000, under the Reconstruction Finance Corporation act, as amended, to any public or private hospital organized under the laws of any State upon the same terms and conditions and subject to the same limitations as are applicable in the case of loans to financial institutions specified in section 5 of such act, as amended.

The amendment to the amendment was rejected.

The VICE PRESIDENT. The question now is upon the amendment of the Senator from New York [Mr. WAGNER] as amended.

Mr. HAYDEN. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 2, line 25, after the so-called Wagner amendment, insert the following proviso:

*Provided, That this act shall be construed to permit the governor of any State to use, under supervision of the State highway department, such loan in the improvement of highways as a part of his work-relief plan.*

Mr. WAGNER. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WAGNER. I understand the amendment now pending is in the nature of a substitute?

The VICE PRESIDENT. It is the original amendment proposed by the Senator from New York [Mr. WAGNER] to the amendment of the committee, which was reconsidered.

Mr. WAGNER. I would suggest to the Senator from Arizona that I do not deal with the subject that he desires to amend in the original amendment which I have offered. That will come subsequently, when I offer the substitute.

Mr. HAYDEN. Very well; I withdraw the amendment for the present.

The VICE PRESIDENT. The question, then, is on the amendment of the Senator from New York as amended.

Mr. BULKLEY. Mr. President, I offer the amendment which I send to the desk. The provision which has just been discussed by the Senator from Virginia is that to which the amendment relates. The amendment which I now offer is to strike out the matter to which the Senator from Virginia has objected.

The VICE PRESIDENT. The clerk will report the amendment submitted by the Senator from Ohio to the amendment of the Senator from New York.

The CHIEF CLERK. The Senator from Ohio proposes in title 2 of the so-called Wagner amendment, page 4, lines 15 to 21, both inclusive, to strike out the following:

*Provided further, That each loan made under paragraphs (1) to (5) of subsection (a) of this section after this subsection, as amended, takes effect, shall bear interest at a rate not exceeding one-half of 1 per cent more than the rate of interest established for the last issue of bonds of the United States preceding the making of such loan.*

Mr. LONG. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LONG. Does the Senator's amendment propose to strike out of the bill that part which limits the rate of interest that may be charged to one-half of 1 per cent

over the rate of interest on the last issue of Government bonds?

The VICE PRESIDENT. It does.

Mr. LONG. May I ask the Senator if that is his amendment?

Mr. BULKLEY. That is correct.

Mr. LONG. I certainly hope the amendment will not be adopted. I hope the Senator is not serious in offering the amendment. The Senator from New York proposed to increase the rate of interest to 1 per cent above that obtained on the last issue of bonds, but I was hoping that he would not do that. That would not be particularly objectionable, however.

Mr. WAGNER. May I suggest that if the amendment is defeated I had intended to offer an amendment extending the rate from one-half of 1 per cent to 1 per cent above that borne by the last bond issue.

Mr. ROBINSON of Arkansas. Mr. President, would not the Senator from New York prefer to perfect his amendment before the vote is taken on the amendment of the Senator from Ohio?

Mr. LONG. I hope that will be done.

Mr. BULKLEY. I have no objection to that procedure if I do not lose the opportunity to offer my amendment.

The VICE PRESIDENT. The Senator from Ohio withdraws his amendment temporarily. The Senator from New York is recognized.

Mr. WAGNER. Mr. President, I move that the amendment which I have offered may be again amended, on page 4, line 19, by striking out the words "one-half of." That would leave the rate at 1 per cent.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from New York to his original amendment.

The amendment to the amendment was agreed to.

Mr. BULKLEY. I now offer the amendment to strike out the proviso to which my amendment relates.

The VICE PRESIDENT. Let it be again reported.

The Chief Clerk again stated the amendment.

Mr. LONG. Mr. President, I do not suppose it is necessary, but the Senator from New York has amended his amendment so that the rate of interest to be borne by the Government on loans made to the States is 1 per cent more than the Government pays for the money. What the amendment of the Senator from Ohio would do would be simply to leave it to the Reconstruction Finance Corporation to fix its own rate of interest. That might be 10 per cent for Maine, 3 per cent for Virginia, 12 per cent for Michigan, or any rate they want to fix. I think this ought to be a standard rate, and a reasonable rate. One per cent over the amount the Government itself pays for the money, if we are going to lend money, is sufficiently high.

The PRESIDING OFFICER (Mr. Fess in the chair). The question is on the amendment of the Senator from Ohio to the amendment.

On a division, the amendment to the amendment was rejected.

Mr. DICKINSON. Mr. President, I would like to inquire of the Senator from New York [Mr. WAGNER] the purpose of section 28, on page 5, where \$5,000,000 is made available for establishing credit insurance organizations or for their benefit. Why is that necessary in this bill?

Mr. WAGNER. Mr. President, representatives of some of the insurance organizations came before the committee and said that at the present time, because of the condition of the market, they were unable to secure insurance to insure the payment of credits upon our exports. They urge that for a temporary time they thought the Government ought to include that particular line.

Mr. DICKINSON. Why should the Government assume that responsibility?

Mr. WAGNER. For the same reason that we are aiding banks and other financial institutions and helping to finance agricultural exports at present through the Reconstruction Finance Corporation. We are doing the same thing for



surplus agricultural products; they are being financed by the Reconstruction Finance Corporation.

Mr. DICKINSON. It is my impression that this provision merely provides additional funds whereby there may be paid premiums for certain insurance organizations that otherwise might not be able to carry on certain types of insurance business. I see no real reason why this provision should be in the bill.

Mr. WAGNER. I do not think the Senator's criticism is justified.

Mr. DICKINSON. What security do they put up for this money?

Mr. ROBINSON of Arkansas. They are required to give adequate security.

Mr. WAGNER. There is a general provision of the law which requires adequate security for all loans. I tried to make it plain on several occasions that there is an omnibus provision in the Reconstruction Finance Corporation act that no loan shall be made by the Reconstruction Finance Corporation except upon adequate security; so that, whatever the nature of the loan is, it must be adequately secured or it can not be granted.

Mr. DICKINSON. The provision reads:

for the purpose of enabling and assisting established credit insurance organizations in the United States to provide export credit guaranties upon such terms and conditions as may be agreed upon—

It would look as though these organizations are to be paid for a special service.

Mr. WAGNER. It is a loan like other loans, I may say to the Senator. Whether he agrees to that particular policy or whether the Senate agrees is another proposition, but the loans can not be granted except adequate security is given to the Government. The idea was to encourage the export of our commodities. That is the explanation which was made before the committee.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New York as amended.

The amendment as amended was agreed to.

Mr. LA FOLLETTE. Mr. President, may I ask the Senator from New York whether it is his purpose to incorporate in the amendment in the nature of a substitute he is about to offer the amendments which were agreed to on Saturday—to the amendment which has just been adopted to the pending bill?

Mr. WAGNER. It is.

Mr. LA FOLLETTE. The reason why I asked the question is that my colleague [Mr. BLAINE], who is detained to-day because of critical illness in his family, offered an amendment on Saturday to the amendment which has just been adopted, and he is not here to offer it at this time to the Senator's amendment in the nature of a substitute. I wondered whether the Senator intended to incorporate in the substitute all the amendments which have been adopted to his amendment to the pending bill?

Mr. WAGNER. Mr. President, I was going to ask unanimous consent that the amendment which I am about to offer in the nature of a substitute may be so modified as to embrace all the amendments which have been adopted to the amendment just agreed to. In that form I now offer the amendment in the nature of a substitute. Do I make myself clear?

The PRESIDING OFFICER. The Chair does not quite get what the Senator desires.

Mr. WAGNER. I have a few moments' time, and I shall prepare the amendment as proposed to be modified.

The PRESIDING OFFICER. The question is on the amendment in the nature of a substitute offered by the Senator from New York.

Mr. COUZENS. Mr. President, I wish to make a motion to strike from the proposed substitute all of section 14 on page 8, beginning in line 17. That was the amendment that was just discussed by the junior Senator from Iowa [Mr. DICKINSON]. I make the motion that that section, embracing

subsection (k), may be eliminated from the bill. It reads as follows:

SEC. 14. Section 201 of such act is further amended by adding at the end thereof the following new subsection:

"(k) The Reconstruction Finance Corporation is authorized to make available out of the funds of the corporation a sum not exceeding \$5,000,000, which may be used by the corporation for the purpose of enabling and assisting established credit insurance organizations in the United States to provide export credit guaranties upon such terms and conditions as may be agreed upon between the corporation and such credit insurance organizations."

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Michigan to the amendment in the nature of a substitute offered by the Senator from New York.

The amendment to the amendment was agreed to.

Mr. STEIWER. Mr. President, a parliamentary inquiry. The PRESIDING OFFICER. The Senator from Oregon will state his parliamentary inquiry.

Mr. STEIWER. Is an amendment now in order to the amendment in the nature of a substitute?

The PRESIDING OFFICER. An amendment to that amendment is now in order.

Mr. STEIWER. I send to the desk, then, the following amendment and ask that it may be stated.

The PRESIDING OFFICER. The clerk will report the amendment offered by the Senator from Oregon to the amendment in the nature of a substitute offered by the Senator from New York.

The CHIEF CLERK. The Senator from Oregon offers the following amendment to the amendment in the nature of a substitute.

At the proper place it is proposed to insert the following:

#### TITLE III—ADVANCES TO RECLAMATION FUND

SEC. —. The Reconstruction Finance Corporation, upon request of the Secretary of the Interior, is authorized and empowered to advance from funds made available by section 2 of the act of January 22, 1932 (47 Stat. L. 5), to the reclamation fund created by the act of June 17, 1902 (32 Stat. L. 388), such sum or sums as the Secretary of the Interior may deem necessary for the completion of projects or divisions of projects now under construction. Funds so advanced shall be repaid out of any receipts and accretions accruing to the reclamation fund within such time as may be fixed by the Reconstruction Finance Corporation, not exceeding five years from the date of advance, with interest at the rate of 4 per cent per annum. Sums so advanced may be expended in the same way as other moneys in the reclamation fund.

Mr. STEIWER. Mr. President, I desire to make a brief explanation of this proposal. The language of the amendment which I have offered is identical with Senate bill 5607, which was introduced by the senior Senator from Utah [Mr. SMOOT]. That bill was referred to the Committee on Banking and Currency, from which the Wagner relief bill also comes. The Committee on Banking and Currency authorized a favorable report upon the bill, and that favorable report was made earlier to-day. So the proposal is now before the Senate with a favorable report of the committee.

The object, and the only object, of this proposal is to enable the Reclamation Service to complete projects which are presently under construction. The amendment submitted by me does not involve any additional project or any change in policy or any extension of the reclamation program. Every project for which relief is contemplated under this amendment is a project already authorized by law; every project, with some slight exceptions, which would be benefited by this proposal is a project for which there is a contract presently existing for the construction of the works.

Mr. COUZENS. Mr. President—

Mr. STEIWER. I will yield in just a moment. Every project for which relief is contemplated under this proposal is a project for which an estimate has already been made by the Interior Department and for which an estimate has already been submitted, in many cases, to the Bureau of the Budget, and has been approved by the Bureau of the Budget; and in very many cases all the items that would be included in the loans contemplated by this amendment are items which are covered by the Department of Interior ap-

appropriation bill, which was recently passed by the Senate and which, as I understand, is now a law.

The only reason why it is necessary to offer this amendment at this time is that the appropriations made by the Congress for the construction of the reclamation projects are made from a special fund. If they were made from the general fund, of course, the money would be taken out of the Treasury, and it would now be available for the Reclamation Service, but because those appropriations are made from a special revolving fund, they are available only in the event that money is in the special fund at the time it is required.

By the moratorium bill which Congress enacted during the last session the revenues that normally go into that special fund have been very greatly curtailed, and the Reclamation Bureau finds itself at this time in this situation: They have projects authorized and under construction, with contracts made and with appropriations approved by the Bureau of the Budget and actually made by the Congress of the United States, but still the bureau is not able to keep faith in meeting the obligations under its own contracts.

This amendment, Mr. President, would be one form of loan that would be repaid. If the Congress should see fit to add the amendment to the substitute offered by the Senator from New York, we would be creating one class of loans that would be repaid, because they would constitute preferred claims in a moral sense at least, against the reclamation fund; and those in charge of that fund would be able, under any kind of conditions, even under the conditions of this day, to guarantee the return of these loans. Now I yield to the Senator from New York.

Mr. WAGNER. Mr. President, I was going to suggest to the Senator that, of course, the committee has had no chance to study the proposal of the Senator, nor have I, as the sponsor of the legislation, had such an opportunity; and the amendment is brought in now at the last moment, when it seems to me it is rather late to incorporate it in the legislation which is pending. I think at least the committee ought to have an opportunity to study the proposed amendment and its effect. If it is merely to supplement an appropriation already made, it ought to be proposed, it seems to me, in the form of separate legislation and not be made a part of the pending bill. It does not seem to me to be pertinent to the subject matter with which we are dealing.

Mr. COUZENS. Mr. President—

Mr. STEIWER. I will defer replying to the Senator from New York for just a moment until I have yielded to the Senator from Michigan.

Mr. COUZENS. Mr. President, if I understand the Senator's explanation, the money that he proposes to have advanced by the Reconstruction Finance Corporation is in anticipation of an appropriation later to be received from the Government?

Mr. STEIWER. The appropriation has been made in the Department of the Interior appropriation bill of this year.

Mr. COUZENS. Why is it not available?

Mr. STEIWER. It is not available because it is an appropriation out of the special revolving fund. The appropriations for the Reclamation Service are not made, as Senators know, from the general funds of the Treasury, but are made from a special revolving fund. There is no money in that fund at this time sufficient in amount to enable the United States to keep its obligations under its own contracts.

Mr. COUZENS. What will replenish the fund of the Reclamation Service which has now been exhausted?

Mr. STEIWER. That special revolving fund will be replenished by repayments by settlers, by oil royalties, and by the proceeds of the sale of public lands.

Mr. COUZENS. Has the Senator any estimate of the amount involved or does the bill of which the amendment is a copy, state the sum?

Mr. STEIWER. The bill does not state the amount in express terms, but the Interior Department estimates that it will require about \$5,000,000.

Mr. COUZENS. In other words, in spite of the depressed condition of industry and all that, the Senator contemplates that the reclamation fund will be sufficiently replenished so as to enable repayment to be made to the Reconstruction Finance Corporation for the loans which it may advance?

Mr. STEIWER. Yes; that is contemplated. Of course the Reclamation Bureau would be obliged to take out of their revenues a sufficient amount to pay this obligation.

Mr. COUZENS. Yes; but I understand that the basic principle is that the reclamation fund will be built up through collections from people who are already unable to pay.

Mr. STEIWER. Oh, no, Mr. President. Even under present conditions, as the economic situation now exists, we have been receiving substantial sums into the reclamation fund. They come from sales of public lands, from oil royalties, and partly from the payments made by settlers. I have no doubt that the settlers on many of the projects of this country could have kept up their payments, which are small on the part of each individual settler; but Congress itself, by the moratorium bill agreed to in the last Congress, has extended deferments in payment; and by our own action we have robbed that fund of its normal income.

Let me say, in further answer, that the total amount in the revolving fund of the Reclamation Bureau, subject, of course, to certain write-offs for losses, is something like \$160,000,000. In the old days \$20,000,000 was appropriated for a loan to that fund. Of that \$20,000,000 substantially \$10,000,000 was repaid; and then two years ago, I believe, Congress authorized a further loan of \$5,000,000 from the Treasury to the reclamation fund. So at this time the obligation of the reclamation fund to the Treasury is substantially, if not exactly, \$15,000,000.

This proposal does not take the money out of the Treasury. It takes it from the funds of the Reconstruction Finance Corporation, and for the first time in history, I believe, would require interest to be paid by the Reclamation Bureau upon the Federal money so advanced.

Mr. FLETCHER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Florida?

Mr. STEIWER. I yield to the Senator.

Mr. FLETCHER. As I understand the situation, Congress last year passed an act extending the time when these payments by settlers and these other resources would be available. How long does that extension last?

Mr. STEIWER. I think the repayments under the bill of last year start either this year or in 1934. I am not sure whether it falls in the fiscal year or the calendar year, so I can not answer exactly.

Mr. FLETCHER. So what the Senator calls a moratorium expires next year probably?

Mr. STEIWER. Yes.

Mr. FLETCHER. In the meantime there would be no funds coming into that special fund?

Mr. STEIWER. Such little funds as come from oil royalties and the sale of public lands, of course, are coming in at all times.

Mr. FLETCHER. Does the Senator's amendment require that the Reconstruction Finance Corporation must look to that special fund for a return of the money that they advance?

Mr. STEIWER. Yes. It also provides that the Reconstruction Finance Corporation shall prescribe the time for the repayment of the money.

Mr. FLETCHER. We do not want to pay twice. We do not want to make another donation to the fund.

Mr. STEIWER. This proposal comes from the Interior Department. I understand that the Senator from Utah introduced the bill S. 5601 upon the urgent insistence of the Interior Department that unless this loan could be made they would be obliged to default in their contracts, and I want the Senate to know what that means. It means, in the first place, that the contractors would have claims against the United States on account of the breach by the



United States Government. It means, above that, that those who are employed, and who number more than 2,000, would be thrown into the unemployed out in desert countries where there is no work for anybody and little chance for relief. It means, still above that, that something like 10,000 settlers who have moved on the projects in reliance upon the faith of the United States Government, and who have been taught to believe that waters would be delivered to them either this summer or the summer to come, would find themselves upon arid land with no water, with no hope of water, and they would be in just as serious a condition as those who are now the employees of the contractors; and distress would be brought to all of them. Why? Because the Federal Government had failed to keep its own obligations under its own agreements!

In order to avoid that kind of a situation the Senator from Utah brought the bill here, and to further the purpose I have offered it as an amendment to the substitute proposal of the Senator from New York.

Mr. ROBINSON of Arkansas. Mr. President, may I ask the Senator whether the bill to which he has referred has been reported by the committee?

Mr. STEIWER. It has. It was reported earlier to-day.

Mr. ROBINSON of Arkansas. But just to-day?

Mr. STEIWER. To-day. It is not yet on the calendar. It will be on the calendar to-morrow.

Mr. ROBINSON of Arkansas. May I point out to the Senator that there are a large number of additional methods for approaching the Reconstruction Finance Corporation for funds, including flood control and other processes of reclamation. That is particularly true of drainage areas; and I doubt whether we ought to incorporate this provision in the bill.

Mr. STEIWER. May I ask the Senator a question? Are there other situations in which the United States Government has made contracts and where the circumstances indicate that the Government is going to be obliged to breach its own agreements, as is the case with respect to the contracts executed by the Reclamation Bureau?

Mr. ROBINSON of Arkansas. I do not know of cases where the Government has actually made contracts and where the funds are not available; but what I can not understand is why the Government should make contracts for the construction of reclamation projects without having the amounts available in the reclamation fund.

Mr. STEIWER. I am told that the Reclamation Bureau limits its contracts to an amount for which the anticipations of last year seemed to afford a basis of perfect safety, and, of course, the contracts are within the appropriations. The curtailment in receipts, partly brought on by the action of the Congress itself in providing for the moratorium of last year, has depleted the special fund, so that the required funds are not available.

Mr. ROBINSON of Arkansas. Of course everyone who suggested or advocated the moratorium as to reclamation payments knew that that would be the effect of reducing temporarily the fund available for reclamation projects; and they knew that it would be necessary to go to the Treasury or obtain funds in some indirect way. There are a great many applications here for funds for different purposes that are not comprehended within the provisions of this bill for reclamation projects; and I think we had better give this subject separate treatment, if I may make that suggestion to the Senator.

Mr. STEIWER. I know of no other application which could come from an agency of the United States and which might be prompted by the action of Congress itself.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oregon [Mr. STEIWER] to the amendment in the nature of a substitute offered by the Senator from New York [Mr. WAGNER].

The amendment to the amendment was rejected.

Mr. HAYDEN. Mr. President, some time ago I offered an amendment which was not in order. I believe it now is in order, and I should like to have it stated again.

The PRESIDING OFFICER. The amendment offered by the Senator from Arizona to the amendment, in the nature of a substitute, will be stated.

The CHIEF CLERK. The Senator from Arizona offers the following amendment to the amendment in the nature of a substitute.

After the amendment of the Senator from Georgia [Mr. GEORGE], inserted on page 2, line 25, of the so-called Wagner amendment, insert:

*Provided*, That this act shall be construed to permit the governor of a State to use, under supervision of the State highway department, such loan in the improvement of highways as a part of his work-relief plan.

Mr. WAGNER. There is no objection to that, Mr. President.

Mr. HAYDEN. Mr. President, the amendment offered by the Senator from Georgia permits money borrowed by States from the Reconstruction Finance Corporation to be expended for supervision and overhead expenses upon the approval of the Reconstruction Finance Corporation.

There has been a tendency in some States for road work to be done by the governors, without utilizing the services and the experience of the State highway departments, thereby building up what amounts to rival road construction organizations. Any road work that is done by a State should be carried on under the supervision of its State highway department. The amendment will also permit money thus borrowed to be expended to supplement Federal aid to highways, which is perfectly proper, particularly since Congress has failed to authorize future Federal aid road appropriations.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Arizona [Mr. HAYDEN] to the amendment, in the nature of a substitute, offered by the Senator from New York.

The amendment to the amendment was agreed to.

Mr. WAGNER. Mr. President, I ask unanimous consent that the amendments which were adopted by the Senate to the amendment offered by me, which amendment has been adopted by the Senate, be incorporated in the amendment I have offered in the nature of a substitute for the pending bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. DICKINSON. Mr. President, I rise to inquire whether or not the Senator from New York [Mr. WAGNER] has offered his amendment in the nature of a substitute.

The PRESIDING OFFICER. He has. It is pending now.

Mr. DICKINSON. I move to strike out all of section 6, beginning on line 15 of page 3, and ending with line 3 of page 5.

Mr. WAGNER. Mr. President, the effect of that is simply to strike out the authorization for the expenditure of \$15,000,000 to take care of transients.

Mr. LONG. That certainly ought to stay in.

Mr. WAGNER. It has been discussed so much in the Senate already that we all understand the problem, so that I shall not spend any further time upon it. It would be most unfortunate if that provision were stricken from the bill.

Mr. DICKINSON. Mr. President, in my judgment we are simply proceeding here to encourage people to become transients rather than to discourage them. We are setting up here a fund of \$15,000,000 to be borrowed by the governors of the various States, and they are going to furnish relief and work relief to unemployed and needy transients and to aid in their rehabilitation in training in work camps, which means, if you please, that we are going to be establishing work camps all over the United States with the purpose of taking care of this type of transients.

I know of nothing that will be as much of a contributing factor to the hobo class in this country as this type of provision. We have already taken care of numerous boys under the Couzens amendment to the Army bill. Now we are seeking to extend that, if you please, to the point of inviting

the people of various sections to become transients, and saying, "If you will move from this State to another State, there they are putting in work camps and rehabilitation camps; and all you have to do is to go there and make application, and you will then be a transient, and will be cared for by the Government at Government expense."

To me this is a provision that is headed exactly in the wrong direction. On the other hand, if the Reconstruction Finance Corporation has a request from a governor of a State to assist in caring for their poor, that can be done. The transient, when he comes in for a meal of victuals, is not asked whether he is a resident of New York or not; but here we say to him, "Become a transient, and we are going to set up training camps for you. We are going to set up rehabilitation camps for you."

Mr. WAGNER and Mr. LONG addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Iowa yield; and if so, to whom?

Mr. DICKINSON. I yield to the Senator from New York.

Mr. WAGNER. Mr. President, the evidence adduced in a survey recently made shows that there are over a million and a quarter of men, women, and children wandering around this country homeless, looking for an economic opportunity which in most communities is foreclosed. Most of these people have left their homes because there was no possibility of employment in their own localities. They can not get any work in their States of residence, and therefore they wander to some other section in the hope of securing employment. When they reach their destination they find local restrictive legislation which provides that one must be a resident of that particular locality for a year or two years before one is entitled to any relief or employment. Thus the wanderer is hopeless again; and unless some generous person gives him something to eat, or gives him shelter, he is absolutely abandoned.

It is to take care of that type of case that this provision is made. We are not inviting anybody to go anywhere. These people are all over the country now, a million and a quarter of them. They would not be migrating except that there is no chance for them to work at the places where they formerly lived. By the bill before us we are dealing with this problem, I think, much more intelligently than by the amendment offered by the Senator from Michigan [Mr. COUZENS] because, while it is true that his amendment helps to arrest the process of mental and moral deterioration by putting the young people into a wholesome atmosphere and giving them exercise, there is no provision for training them or providing employment for them.

That is why I think this method of dealing with the subject, for which I am indebted to the Senator from New Mexico [Mr. CURTING], who was the one who proposed the remedy first, is the best way of approaching it. We permit the States to deal with it, to provide camps or other methods of rehabilitating these people, so as to give them employment, and care for their physical needs. I think it would be very unfortunate if this provision were eliminated from the bill and these unfortunate people were left wandering without aid.

Mr. DICKINSON. Mr. President, the author of the amendment himself implies that they are going to do exactly the thing I contend they will do. If a man and his family, residents of the State of Illinois, find that they are out of work, and the Governor of the State of Ohio has set up one of these rehabilitation camps, all they have to do is to put their furniture in the old Ford and drive over to the State of Ohio and go into that camp. Instead of keeping the people where they have their residence, where they should stay—because, dear knows, they can always get along better in the localities where they have friends and acquaintances than in a strange locality—it will lead them to wander over the country, and that is the thing we do not want them to do.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield.

Mr. ROBINSON of Arkansas. This provision is not intended for the benefit of people who have a residence. It is intended for those who have no residence, people who are wanderers, who are moving about from one community to another, and who are kept moving by reason of the fact that there is no provision in the locality where they happen to be quartered. In other words, the States limit their relief out of the funds that are obtained from the Reconstruction Finance Corporation to their own citizens, or residents of the State, and a person who happens to be in Iowa who is not a citizen of the State of Iowa or not a resident of the State, and not, therefore, entitled to relief or assistance under the State administration, has to move on to another State and receive assistance there for two or three days, and continue the movement. The object of this provision, as I understand it, is to avoid that necessity.

Mr. DICKINSON. As a matter of fact, there is not a large number of people in the United States who have no set place of residence.

Mr. JOHNSON. O Mr. President!

Mr. DICKINSON. If there is a transient group, we ought to insist that they get a place of residence.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield further?

Mr. DICKINSON. I yield.

Mr. ROBINSON of Arkansas. I think the Senator from Iowa had better check up on that statement before he makes it again.

Mr. JOHNSON. Mr. President, will the Senator yield to me?

Mr. DICKINSON. I yield.

Mr. JOHNSON. As to boys, the testimony shows that more than a quarter of a million of them are wandering around the country to-day. The testimony shows, as to those who are not boys, that there are more than a million and a quarter wandering around this country to-day.

Mr. DICKINSON. The Senator does not meet my reply. The fact is that most of those people have residences in some State, and if they are told to go home to the place where they have a residence they can go home.

Mr. JOHNSON. Mr. President, will the Senator yield a moment more?

Mr. DICKINSON. I yield.

Mr. JOHNSON. Tell them to go home! Let us think of that for a moment. Across the line into California during a considerable period of time there came 1,200 per day of homeless people. Our State undertook to establish camps for the relief of those people. Those camps, of course, could take care of only a small portion of those needing aid, and they have taken care of about 5,000 in State-organized and State-supervised camps, where it was sought to relieve distress.

I beg pardon for interfering with the Senator's time. If he will pardon me, I want to continue for an instant. Or would he wish me to conclude?

Mr. DICKINSON. I am glad to extend the Senator's time.

Mr. JOHNSON. Let me say to the Senator this as well: It is not a question of saying to these people, who thus come across the line, "You go home." For the love of God, where will they go? They are there because they have not anything, because they have traveled and traveled and traveled in the hope that they might accomplish something, or that they might get work. We can not turn them around, in a little, broken-down old car, in which they have come, or when they have tramped across the line of our State, and say to them, "Go back to Iowa"—and many of them have come from the State of Iowa. They have nothing in Iowa, and they have nothing in California except the relief which the State and the relief societies may have given them.

The other day, through an amendment offered by the Senator from Michigan [Mr. COUZENS], we undertook to take care of a maximum, if they are taken into the Army camps, of 88,000 boys. If there remain in this country a couple of hundred thousand youths who have no place to go, who are transients, it seems to me that every element, not only of



pity and mercy but every element that exists in a human constitution, ought to lead us to take care of those who thus require it.

I submit to the Senator that, if he will look at the testimony that has been taken in this matter before the various committees, he will see not only the fact that this is desirable, but he will see that it is absolutely essential if we are to deal with humanity at all by legislation.

Mr. DICKINSON. Mr. President, I am familiar with the type of family who put their belongings in the Ford and start from one State to another. We have charitable organizations in every State, and I know those people are cared for in many instances by charitable organizations. It is not a question of taking care of them for a day or two, or anything of that kind, but here it is said we are to establish rehabilitation camps, and are to have work camps, and are to build up an organization that is to be utilized by this type of inhabitants.

The theory that these people have no established residence in any State is in my judgment wrong. Most of them have a home somewhere. They have come from somewhere, and they have come probably thinking they are going to better their condition, and the quicker we discourage that type of transient in the United States, the better we will be off.

Mr. ASHURST. Mr. President, with due respect for the conclusions of the Senator from Iowa, I do not agree with him. Without intending to use offensive language, to say to a man in these days "Go home," is equivalent to telling him to go to Hades. Many of those for whom this provision is sought to be made have no homes. Their homes were shattered before they started out upon the road.

Mr. President, I am in favor of the Wagner substitute. Consider the conditions: The head of the house lost his job, his position, the home was mortgaged, and the mortgage was foreclosed. The elder son, probably all the sons, left school, and the daughters likewise, hoping to secure work to aid the parents. Weary, embarrassed, and out of sheer self-respect, they left their native village, their native county or State, to go forth as our fathers did in other but happier days, to try to carve from the granite face of fate a livelihood for themselves and for those left at home.

Unable to secure employment, they have for months tramped the highways and the streets, and many men with antecedents just as worthy as the antecedents of any Senator here have been reduced to a position where they have almost lost their own self-respect.

For them it is no longer a matter of securing a "job," no longer a matter of securing a position; it is a matter of securing clothing; it is a matter of securing sufficient food to enable them to continue an animal existence.

There has come with this calamitous depression, and naturally comes, a loss of ideals, an evaporation of hope, far more baleful and tragic than the mere loss of money, or even the loss of the home.

They have no home to which they may go. The distress at the home village would only be emphasized and increased if they went "home." They would, forsooth, go back in rags, hungry, in many instances covered with vermin, and be obliged to confess to their already stricken relatives and friends at "home" that they have not been able to earn a dollar during their long wanderings to send back to the old home.

Mr. President, only the most desperate emergency would call for legislation of this sort, but a desperate emergency is upon us. It is worse than war. In war time the national banner floats bravely in the sky, the speeches of the orators encourage and stimulate men and women, and the heroic voice of silver bugles calls them forth. But in circumstances such as those now upon us, men must take courage only from the reservoirs of their own souls. Men receive no encouragement from the orators or from the bugles. There is no romance, no glamour; all is drab, dull, and hopeless. Each man thus tramping has a body of death chained to himself. Each man has a sad soul, and his heart is an aching, lumpish thing. Each man thus wandering almost

wishes he could separate himself from an existence here if this condition is to be continued.

Therefore I say, Mr. President, it is an emergency greater than war; it is a distress more poignant than any war; and I support the provision now pending. With due deference, I oppose the amendment of my learned friend from Iowa; but I ask the Senator from New York, whose benevolence and whose ability shine throughout this country and whose leadership will be followed and ought to be followed, in my judgment, to accept an amendment by which I propose, on page 3, line 22, after the word "transients" to insert the words "who are American citizens."

Mr. President, my reason for offering this amendment is: We of the Southwest have an international line of nearly 2,000 miles. Aliens in vast numbers are bootlegged across that line, and it is more than our respective States may do to feed and care for our own people. But, whether or not my amendment shall be adopted, I shall support the provision offered by the Senator from New York, and it would be helpful if the amendment I have offered could be added so that this sort of relief shall be furnished only to American citizens. I ask that my amendment be adopted.

The PRESIDENT pro tempore. That amendment may not be offered at this time, since there is an amendment pending. The question is on agreeing to the amendment proposed by the Senator from Iowa [Mr. DICKINSON] to the amendment of the Senator from New York [Mr. WAGNER].

Mr. CUTTING obtained the floor.

Mr. FLETCHER. Mr. President, will the Senator yield to me for just about two minutes?

Mr. CUTTING. We will have until only 4.30 o'clock, and I know there are a number of other Senators who want to speak on the pending amendment and on the bill.

The PRESIDENT pro tempore. The Senator from New Mexico declines to yield.

Mr. CUTTING. Mr. President, the Senator from Iowa [Mr. DICKINSON] has spoken of charitable organizations. It is quite obvious that the Senator has not read the hearings on the measure originally introduced by me, which has been incorporated in the La Follette-Costigan bill. I may say that a similar measure is contained in the Wagner substitute.

Mr. WAGNER. Mr. President, will the Senator yield to me?

Mr. CUTTING. I yield.

Mr. WAGNER. While the Senator was out of the Chamber, in my short observation on the amendment I have offered I told of my indebtedness to the Senator from New Mexico for this particular provision of the measure.

Mr. CUTTING. I thank the Senator.

What I particularly want to bring to the attention of the Senate is that in most cases local charitable organizations and municipal and State charity organizations have a regulation throughout the country that they can not take care of any except the citizens of the State. The transients are either not being taken care of at all or they are being given one night's lodging and sent on their way. A very interesting questionnaire was sent out to the mayors of many of the cities of the country. I am going to ask that the answers of the mayors may be incorporated at the end of my remarks, because I think they answer very briefly and pointedly the complaint of the Senator from Iowa.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See Exhibit A.)

Mr. DICKINSON. Mr. President—

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Iowa?

Mr. CUTTING. I yield.

Mr. DICKINSON. Does the Senator realize that every mayor would like to get the responsibility of taking care of the people who happen to be within the borders of his city transferred to the Federal Government rather than to have the responsibility rest on his own city?



Mr. CUTTING. The questionnaire was an entirely different one from what the Senator implies. The mayors were not asked whether or not they wanted any aid from the Federal Government. What they were asked was: "What are you doing to take care of transients?" Let me read a few answers from the mayors of some towns in the Senator's own State:

Oskaloosa: Sleep at police station; work on woodpile.  
 Cherokee: Do nothing.  
 Mason City: Fed and lodged overnight only.  
 Bettendorf: One meal and flop and on your way.  
 Nevada: Feed in return for work on woodpile.  
 Independence: Free lodging only.  
 Cresco: One meal and one night's lodging.  
 Ottumwa: Referred to soup kitchen for a meal and then on their way elsewhere.  
 Glenwood: Lodging and breakfast once only.

I am not singling out the State of Iowa because it is particularly negligent in the handling of this problem. Every State in the United States has a record of the same kind, from East to West. These young men and aging men and young women are given one night's lodging perhaps—perhaps that is the best that can be given—and then they are sent on to the next community to be taken care of.

Mr. DICKINSON. Mr. President—

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Iowa?

Mr. CUTTING. I yield.

Mr. DICKINSON. I am very familiar with the towns mentioned by the Senator, every one of them. I do not believe in a single instance they have asked anything from the State or the Government or any one else. They have taken care of their own relief. Naturally they are going to pass on all of these people they can. They will send them on to New Mexico if we organize a rehabilitation camp down there, or to New York, or wherever we organize one. Perhaps we can spare some more out there. All the Senator is proposing to do with this \$15,000,000 is to encourage a lot more people to become gypsy travelers in the United States.

Mr. CUTTING. Our responsibility is greater than that, may I say to the Senator from Iowa. If Iowa will not attend to them and no other State will attend to them, and municipalities all over the country are shirking their responsibility in this respect, is it not the duty of the Federal Government to take care of its own, to take care of the responsibility which is a national responsibility, just as this whole relief responsibility is a national one and not a private or State or municipal responsibility?

The conditions which exist in the country—and I am not speaking merely of the transient problem, but of the whole relief problem—are national in their scope. That seems to me the main principle involved in the vote which will be taken in a moment on the substitute of the Senator from New York. It is the responsibility of the National Government to see that its citizens do not starve. That is the only question involved in the vote we are going to take this afternoon.

We have heard learned discussions as to relative responsibilities of the States, the municipalities, and the Federal Government. What are those responsibilities? Mr. President, the Government is not a set of rulers to decide in their wisdom just what responsibility they have to the people over whom they rule. Our Government is the citizenship of the Nation organized for public purposes. The duty that the Government owes to its citizens is the duty that society owes to its members.

Can there be any obligation of society toward its members as sacred or as fundamental as the duty of keeping them alive?

We talk about self-liquidating projects. We talk about profits. We talk about loans and rates of interest. Society does not owe its members the primary duty of seeing that they make a profit by loaning money through channels of investment or in any other way. That may or may not be desirable as a secondary goal. Most religions have declared it usury. But whether it be desirable or not, it is not primary. The primary right, I submit, is the right to be

safe from starvation. Personally I should add the right to maintain a decent standard of living, and in that respect my only criticism of the pending measure is that I think the funds provided are inadequate. But, regardless of that, the principle contained in the measure is sound.

The theory of the amendment is that the minor groups of citizens, the States, and municipalities, should assume the primary responsibility and that the large organization, the Federal Government, should loan money and make a profit out of the loan. I think that theory is at variance with the facts as they exist in the country. I do not believe these loans will ever be repaid. But whether that is so or whether it is not so, I think the substitute is founded on a false theory. I think it is contrary to sound policies of public welfare.

If ever there was a duty toward any body of our citizenship, it is the duty involved in the provisions of this act which the Senator from Iowa is now attempting to strike from the bill. Here we have perhaps a million, perhaps more—it is impossible to get adequate figures, but some have estimated it as high as five million—but let us say a million of the youth of this country traveling about the United States trying to get jobs, homeless, being unable to get any relief from local communities, from local charities, from municipalities, or from States. What are we going to do with them? Ten per cent of them it is estimated come from the so-called hobo class. The remaining 90 per cent are the most ambitious, the most intelligent, the most courageous of our young men.

I submit, Mr. President, that there is no section of the bill which is more necessary and more important than this section, and I trust that the Senate will not allow the amendment of the Senator from Iowa to prevail.

#### EXHIBIT A

##### DIGEST OF LETTERS RECEIVED FROM MAYORS

The following excerpts, arranged by States, showing local methods of dealing with the transient problem, are taken from letters received in response to a questionnaire sent to the mayors of all cities and towns in the United States, requesting information concerning local unemployment-relief problems. The summary given here is based upon replies to the question, "How are you meeting the problem of the transient unemployed in need of relief?"

##### "ALABAMA

"Piedmont (3,668): Pass them on—occasionally give meals to worthy cases.  
 "Dothan (16,046): Through the Salvation Army.  
 "Ozark (3,103): One meal and one night's lodging.  
 "Florala (2,580): Unable financially to handle.  
 "Jasper (5,313): Small portion of food and send on.  
 "Andalusia (5,154): Have none.  
 "Prichard (4,580): Not meeting the problem at all.  
 "Selma (18,012): One night's lodging, two meals, and insist they move on. Handled very inadequately.  
 "Opp (2,918): Usually feed and transport to next city.  
 "Gadsden (24,042): Through Salvation Army.  
 "Union Springs (2,875): Give temporary relief on work basis, except with women when direct relief is given.  
 "Atmore (3,035): Temporary relief while present.  
 "Nine of these cities have an increase in their own unemployment problem over last year of from 75 to over 200 per cent. Three report no city appropriation at all to meet the problem.

##### "ARIZONA

"Nogales (6,006): Emergency relief only.  
 "Bisbee (8,023): No serious problem, but recently increasing.  
 "Nogales has an increase of over 100 per cent in unemployment over last year with only a 40 per cent increase in appropriation. Bisbee has no legal city appropriation for the care of their own unemployed.

##### "ARKANSAS

"Searcy (3,387): Met through Good Fellows fund.  
 "Hope (6,008): Unable to meet the problem.  
 "Texarkana (10,764): Only feeding them.  
 "Dermott (2,942): Met with State funds.  
 "Paragould (5,966): A meal and, if ill, possibly transportation home.  
 "Stamps (2,705): With local funds.  
 "McGehee (3,488): Sleep in city jail and city hall; get them out of town as soon as possible.  
 "Pine Bluff (20,760): Put them to work and make use of flop house.  
 "Wynne (3,505): Small amounts from community chest.  
 "Crossett (2,811): Have few.  
 "Mena (3,118): Very few helped.  
 "Forrest City (4,594): Trying to pass up, as we have no funds.  
 "Helena (8,316): Fairly well.  
 "Arkadelphia (3,380): Pushing them on.



"El Dorado (16,421): Trying to care for them through the Salvation Army.

"De Queen (2,938): Impossible to care for; it is our hardest problem.

"Van Buren (5,182): Not taking care of them.

"Brinkley (3,046): Through the Reconstruction Finance Corporation.

"Fort Smith (31,429): By the Salvation Army.

"Some of these cities show an increase in unemployment over 1931 up to 600 per cent. Several state that their appropriation for care of the unemployed has been cut off due to delinquent taxes. A number have no appropriation for their own unemployed. One, Dermott, states that 90 per cent of the city will need help this winter.

#### " CALIFORNIA

"Maywood (6,794): No relief; can't take care of our citizens.

"Long Beach (142,032): Single males slept and fed three days. Families given emergency relief and returned to original residence.

"Los Gatos (3,168): Two meals; overnight lodging.

"Piedmont (9,333): Have none.

"San Mateo (13,444): City gives three meals and bed; repairs shoes, clothes, etc.

"Auburn (2,661): Temporary relief only.

"Red Bluff (3,517): Small amount of food and gasoline.

"Needles (3,144): City can not handle them.

"Porterville (5,303): Don't have to meet the problem.

"Lompoc (2,845): Give necessary meal.

"Fresno (52,513): Night's lodging and two meals in return for four hours' work.

"Tulare (6,207): Street cleaning and municipal wood-yard work at 25 cents per hour, which is paid in groceries.

"Roseville (6,425): Send them on, as have no place to house them.

"Coronado (5,425): State work camps.

"Burlingame (13,270): The cities of Burlingame, San Mateo, and Hillsborough, with a combined population of 32,000, all within a radius of 2½ miles. Jointly we have prepared a shelter with a service capacity of about 60. Our service consists of lodging in clean bunks and wholesome food. We require each man to take a bath and have all clothing fumigated; we also have a barber shop and shoe-repairing equipment, both operated by capable itinerants, who are willing to remain for their food and bed; we also have a hospital service, local doctors donating their time, local druggists furnish the drugs gratis, local merchants donate the majority of the food, and local residents cast-off clothing. We allow only overnight service for all, except those who require medical treatment; each man must work at least two hours each day on the wood pile; the accumulating wood is given to the poor. I might say that our plan is working splendidly. Since opening the shelter we do not allow begging and can see a decided falling off in this respect.

"Lynwood (7,323): No provision.

"Gardena (15,969): No assistance given.

"Banning (2,752): Meals, temporary lodging, and gasoline in exchange for work in city wood yard.

"Redlands (14,177): State labor camps, forestry work.

"Gilroy (3,502): One good meal and more if they work.

"Pasadena (76,086): Minor factor.

"Fullerton (10,860): 2 meals, 1 night's lodging in return for work. Kitchen and bunk house sponsored by American Legion.

"Pomona (20,804): Work for meal and place to sleep, and move on.

"San Gabriel (7,224): Welfare association gives temporary relief.

"Ontario (13,583): Feed and pass them on.

"Montebello (5,498): Through Salvation Army.

"San Luis Obispo (8,276): 1 meal, bunk, good-by.

"Huntington Beach (3,690): No plan.

"Corona (7,018): Fed and housed where necessary in city-hall basement, in exchange for wood-yard work.

"Tracy (3,829): Have heavy transient problem. We are a terminal on the railroad. Trains stop here and unload the itinerants. Being satisfactorily handled with large wood yard. Any itinerant can get two days' supply of food for two hours' work. We use a large number of married men with families. Use large number of married men to cut this wood along the river. It is then hauled into the wood yard. These married men get \$2 per day in food or rent. Each man allowed enough work each month to pay for what supplies he requires.

"Hermosa Beach (4,796): No funds, although some relief probably given.

"Merced (7,066): City assists the Salvation Army.

"Claremont (2,719): Given chance to earn lodging and meals at wood yard or rock pile.

"La Verne (2,860): Police supervise woodpile on which transients given work in return for food and lodging.

"Berkeley (82,109): Temporary shelter at Y. M. C. A. (community-chest funds).

"Yuba City (3,605): 15-cent meal tickets.

"San Rafael (8,022): Established shelter with lodging, meals, heat, and light in return for two hours' work; 2-day stop.

"Dunsmuir (2,610): Unable to care for them.

"Sunnyvale (3,094): Shelter only this year.

"Redondo Beach (9,347): Not meeting the problem.

"Chino (3,118): Getting them to San Bernardino County welfare committee.

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"The increase in unemployment in most of the cities is up to about 60 per cent, a few with 200 per cent. However, for instance, Long Beach this year can spend only \$31,000 for this relief as against \$468,000 in 1932. San Rafael, with no appropriation for the city, says that funds can not be raised privately to adequately handle the situation.

#### " COLORADO

"Only three cities have reported on the problem here. Denver reports that families are cared for by the community chest and transient men by missions. Montrose reports the problem negligible. Grand Junction reports the problem cared for by the Salvation Army and Reconstruction Finance Corporation funds, and says that the county supplies transportation to destination.

#### " CONNECTICUT

"New London (29,640): Price of meal and overnight shelter.

"Naugatuck (14,000): No report.

"Stratford (19,212): Through a grocery order charged to their home place.

"Meriden (38,481): Through Salvation Army and charities department.

"Hartford (164,072): Shelter run jointly by city and community chest.

"Derby (10,788): No relief given.

#### " DELAWARE

"Of the two cities reporting on this problem, Milford (3,700) has not had any transients, and Dover (4,800) says it is not taking care of the transients.

#### " FLORIDA

"Fort Myers (9,000): Takes care of transients only in emergency sickness or where there are small children.

"Clearwater (7,600): Bunked in barracks. Fed at jail. Often provided with expense money for return home.

"Winter Haven (7,100): By special agencies financed by Reconstruction Finance Corporation.

"Panama City (5,400): Food and sometimes transportation to point of destination.

"New Smyrna (4,100): Sleep in jail but no food.

"Pensacola (31,500): Salvation Army cares for as far as possible.

"Gainesville (10,000): Give food and shelter and attempt to return to legal residence.

"Hialeah (2,600): Have no way of caring. But surely Federal Government should do something. I could tell of some tragic cases.

"Apalachicola (3,100): Supply food for a day and move on. In some cases furnish transportation to friends.

"Arcadie (4,000): Work in wood yard; most do not want to work.

"West Palm Beach (26,600): Through the Salvation Army.

"Bradenton (5,900): Lodging for night and move on.

"Fort Pierce (4,800): Not trying to meet the problem.

"Fernandina (3,000): Where necessary paying transportation back home.

"Lake Wales (3,400): Some food and transportation.

"Increase in unemployment over 1931 runs from 75 per cent (few lower) up to 1,100 per cent. Some cities reporting no increase in appropriation, or no appropriation at all for unemployment relief.

#### " GEORGIA

"Moultrie (8,000): Feed and send out of town.

"Brunswick (14,000): They usually work for food and lodging.

"Hapeville (4,200): Probably give a meal and send them on their way.

"Atlanta (270,000): Salvation Army cares for lone men and boys and Travelers Aid for families.

"Dawson (3,800): A committee investigates—usually feeds and furnishes transportation to next town.

"Thomasville (11,700): Immediate relief such as food—furnish enough gas to get out of county.

"Rockmart (3,200): Through the Red Cross.

"Marietta (7,600): Sufficient aid to move on.

"LaGrange (20,000): Through the Salvation Army.

"Vidalia (3,500): They call from house to house for food.

#### " IDAHO

"Emmett (2,700): Not much troubled, a good meal and start them off again.

"Boise City (21,500): Lodging two nights, meals at Salvation Army two days, and they do temporary work in exchange.

"Burley (3,800): Employment from local funds is possible to get them home.

"Weiser (2,700): Each man one night's lodging and one meal.

"Twin Falls (8,700): Have a building where we have equipped 25 bunks for sleeping quarters for transients. Also a fully equipped kitchen and furnish sleeping quarters and two hot meals a day. Meals substantial and a man can have all he wants. Care for them not to exceed three days, when they move on to some other community.

#### " ILLINOIS

"Lansing (3,300): Can't care for them. Extreme emergency paid out of village miscellaneous fund.

"Pinckneyville (3,000): Doing nothing.

"Vandalia (4,300): City gives some gas and some food.

"Naperville (5,100): Given two hot meals, and, if necessary, given to understand they are to continue transient.

"Bloomington (30,000): Salvation Army and a local mission. Relief confined to one night's lodging and breakfast next day.

"Centralia (12,500): Soup kitchen and lodging place.  
 "Havana (3,400): Basement in city hall can care for 25. Some nights have 20.  
 "Metropolis (5,500): Can not meet the problem.  
 "Carlinville (4,000): Small fund administered by chamber of commerce and Veterans' Bureau.  
 "Champaign (20,000): Soup kitchens.  
 "East Alton (4,500): Not helping.  
 "River Forest (8,800): Not attempting to assist.  
 "Mount Vernon (12,000): Just furnish place to sleep.  
 "Carterville (2,800): Help a little.  
 "Shelbyville (2,800): Housing.  
 "Edwardsville (6,000): Temporary shelter and food.  
 "Mound City (2,500): Shelter and one meal. Not able to care for them.  
 "Joliet (43,000): Through-transportation agreement. Lodging, breakfast, and send them on.  
 "Benton (8,200): Not being cared for.  
 "De Kalb (8,500): Can not cope with problem, so many unemployed in our own community.  
 "Crystal Lake (3,700): Temporary relief and lodging.  
 "Monmouth (8,600): One meal and gas.  
 "Geneseo (3,400): Very little to do. Give breakfast only.  
 "Kankakee (20,000): Meal and bed and transportation through Travelers' Aid.  
 "Dwight (2,500): Work on woodpile.  
 "Dixon (9,900): Lodging in police station. Community kitchen gives them food night and morning.  
 "Waukegan (33,000): Unable to meet problem.  
 "Normal (6,700): Night's lodging and temporary relief only.  
 "Streator (14,700): Feed and send on their way.  
 "Beardstown (6,300): Are not aiding.  
 "Rochelle (3,700): Food and, if they have a car, gasoline to get them to move on.  
 "Lawrenceville (6,000): Gas tax and donation.  
 "Batavia (5,000): Lodging and breakfast.  
 "Ottawa (15,000): Feed, lodge, and pass on.  
 "Princeton (4,700): Problem larger than ever. Housed in jail.  
 "Westmont (2,700): Temporary aid and returned to legal address for relief.  
 "Benld (2,980): Nothing to meet problem with.  
 "Mattoon (14,600): Housed in jail. Coffee and rolls in morning.  
 "Wheaton (8,000): Night's lodging and breakfast and sent on their way. City funds pay the bill.  
 "Highwood (3,500): Even the press has called Highwood a mecca for the itinerant public; food situation is another thing—for the transient, that is.  
 "Blue Island (16,500): Transients assisted to meals and sometimes to extent of getting to next town. Money raised by popular subscription.  
 "In Illinois there is a high increase in unemployment over 1931, ranging from 50 per cent to 200 per cent, with the same story of no funds to appropriate in many cases. A great falling off in private agencies' work and a low weekly rate allowed to families in need.

#### "INDIANA

"Mitchell (3,200): Try to help along and advise to return to own communities to obtain relief.  
 "Boonville (4,200): Bed and meals.  
 "Elwood (10,000): One day's meals.  
 "Connersville (12,000): No organized effort. Sleeping quarters at city building.  
 "Aurora (4,300): Sleeping quarters in jail. American Legion and citizens furnish some food.  
 "Lebanon (6,400): Merchants taking care of.  
 "Garrett (4,400): Board and room two days at city station.  
 "Vincennes (17,000): Have done everything possible to discourage.  
 "Tipton (4,800): By private donations.  
 "New Albany (25,800): Usual police methods. Sheltered and moved on.  
 "Union City (3,000): Some shelter in city building. No provision for eats.  
 "Noblesville (4,800): County sheriff furnishes bed and one meal.  
 "Shelbyville (10,600): Salvation Army furnishes lodging and some meals.  
 "Greencastle (4,600): Sleeping quarters one night each and breakfast.  
 "Huntington (13,400): Fed well and helped on way.  
 "West Terre Haute (3,500): Nothing regular. Sleep at fire station and when possible citizens help a little.  
 "Washington (9,000): Only lodging, no food.  
 "Valparaiso (8,000): Through police fund.  
 "Lawrenceburg (4,000): Through private relief agencies.  
 "Oakland City (2,800): Sleep in town hall and beg. Family sometimes assisted to next place.  
 "Kendallville (5,400): Mostly fed by private parties.  
 "Mount Vernon (5,000): Donations by citizens as each case comes up.  
 "Salem (3,100): Few helped by Red Cross, rest by private donations.  
 "La Porte (15,700): No provisions made for them here.

#### "IOWA

"Fairfield (6,600): Furnish produce, and they cook it themselves at city jail.  
 "Des Moines (142,000): Through Travelers' Aid, Salvation Army, and American Legion.

"Oskaloosa (10,000): Sleep at police station. Work on woodpile for meals furnished by Salvation Army under direction of transient committee.  
 "Cherokee (6,400): Do nothing—only in case of emergency.  
 "Carroll (4,600): Fed at the city hall.  
 "Dubuque (41,000): Handled through private agencies.  
 "Mason City (23,000): Fed and lodged overnight only.  
 "Bettendorf (2,700): One meal and flop and on your way.  
 "Fort Dodge (21,800): Through Salvation Army supported by community chest funds.  
 "Council Bluffs (42,000): Salvation Army and citizens' committee.  
 "Nevada (3,100): Feed in return for work on wood lot.  
 "Independence (3,600): Free lodging only.  
 "Cresco (3,000): One meal and one night's lodging.  
 "Burlington (26,700): Meals through Social Service League.  
 "Waterloo (46,000): Salvation Army operates food kitchen near woodpile and a small cot house. Took care of 561 in 1932.  
 "Ottumwa (28,000): Referred to soup kitchen for a meal and then on their way elsewhere.  
 "Glenwood (4,200): Lodging and breakfast once only.

#### "KANSAS

"Herrington (4,500): One night's shelter and permitted to solicit from citizens (about 750 per month).  
 "Marysville (4,000): Food and transportation.  
 "Winfield (9,300): Through the Salvation Army.  
 "Anthony (2,900): Temporary aid and passing them on.  
 "Caney (2,700): Aid in smallest amounts possible with funds collected by popular subscription.  
 "Horton (4,000): Not meeting the problem—can't.  
 "Eureka (3,600): Welfare association board has budget for this.  
 "Wellington (7,400): No system.  
 "Galena (4,700): Must shift for themselves.  
 "Independence (12,000): Food and lodging on limited scale.  
 "Newton (11,000): Through the Red Cross, Salvation Army, and Associated Charities.  
 "Hays (4,600): Get them out of town as soon as possible and help just as little as possible.  
 "Wichita (111,000): Discouraging transients. Salvation Army gives only temporary aid.  
 "Fredonia (3,400): Feed and provide what is necessary to keep moving.  
 "Lawrence (13,700): Try to get them to their legal residence.  
 "Council Grove (2,800): Help only in extreme emergency.  
 "Parsons (14,900): Through Salvation Army soup kitchen.  
 "Garnett (2,700): Work men on rock pile for meals.  
 "There is a large increase in unemployment over 1931 in Kansas, ranging from 50 per cent to 200 per cent and over, with a very low weekly allowance to families.

#### "KENTUCKY

"Shelbyville (4,000): Moving them on.  
 "Mayfield (8,000): Through donations.  
 "Russellville (3,000): Not being met, saving by individual help.  
 "Paris (6,000): Lodging and food.  
 "Ashland (29,000): Through local agencies.  
 "Harrodsburg (4,000): Lodging—no food unless necessary.  
 "Princeton (4,700): Not meeting the problem.  
 "Covington (65,000): Problem met through Red Cross and St. Elizabeth's Hospital.  
 "Hopkinsville (10,700): Forced to leave if in good health and able to travel. Old persons and children fed until transportation can be arranged out of community.  
 "Cynthiana (4,300): Police and fire departments give ticket for bowl of soup.  
 "Catlettsburg (5,000): Met through the government, Red Cross, and Elks.

#### "LOUISIANA

"Lake Charles (15,700): The city this year can do nothing.  
 "Merryville (2,600): Feed if we can and send on. We can not meet this problem.  
 "Gretna (9,500): Through local agencies and reconstruction.  
 "Bossier City (4,003): Through Red Cross.  
 "DeRidder (3,700): Have not solved the problem, except to have them move on.  
 "Haynesville (2,500): Through private donations.  
 "Winfield (3,700): Can not meet the problem; nothing to give relief with.  
 "Houma (6,500): Can not meet the problem. They are a drain on the individuals in the community who feed, house, and pass them on to the next city.  
 "Eunice (3,500): Give small amount for immediate needs.  
 "Abbeville (4,300): One night bed and board.  
 "Crawley (7,600): With a local soup kitchen.  
 "In this State there seems to be no funds from which transient relief could come. There is an increase in unemployment from 50 to 280 per cent. One city says they have no increase because all of their people were thrown out of employment in 1930, and unless they have some help for themselves 75 per cent of the present home owners will be homeless by 1934. Another says that 75 per cent of the laboring people are in need of relief.

#### "MAINE

"Bath (9,000): Through Salvation Army, Poor Department, Red Cross, and Gospel Mission.  
 "Waterville (1,500): Police department gives breakfast. Not serious problem.



"Fort Fairfield (2,600): No transients in winter; keep them moving in summer.

"Calais (5,400): Try to feed and keep moving.

"Bangor (28,000): Do nothing except charity food and shelter.

"Eastport (3,400): Attempt to collect from legal residence for any help given.

"Lewiston (35,000): Have few. Usually manage to return to their settlement.

"Biddeford (17,600): Transient paupers out of State charged to State health and welfare department. Those from other municipalities to those municipalities.

"Ellsworth (3,500): By subscription.

#### " MARYLAND

"Hagerstown (30,000): Through Salvation Army.

"Annapolis (12,500): By mayor's contingent fund.

"Laurel (2,500): One meal only.

"Westminster (4,400): By Children's Aid Society.

"Crisfield (3,800): House and feed while in city.

"Cumberland (37,700): Eating and sleeping quarters only for a limited time.

"Frederick (14,400): By county institutions and Salvation Army.

#### " MASSACHUSETTS

"Northampton (24,000): In Y. M. C. A. or basement of police building.

"Ware (7,300): By police department through donations from individuals.

"Provincetown (3,800): The best we can.

"Clinton (12,800): Care for by police department. Lodged for night; something to eat in morning and sent on their way.

"Waltham (39,000): Through construction work.

"Newburyport (15,000): Salvation Army and private agencies.

"Haverhill (48,000): Sent to State poor farm or 'infirmary' at Tewksbury.

"Lynn (102,000): \$3 to \$4 cash.

"Dartmouth (8,700): Return at expense of State or town to place of settlement.

"Amherst (5,800): Night's lodging; usually breakfast; sometimes supper.

"Orange (5,300): Not much bothered. Lock up at police station for night (warm bed). Give good breakfast and send on way.

"Taunton (37,000): Nothing being done.

"Walpole (7,000): Through welfare board.

"North Attleboro (10,000): Food, fuel, clothing, etc. Those able to work for aid paid \$2.50 a day.

"Hingham (6,600): Giving work.

"Marlboro (15,500): Through Red Cross and other private organizations.

"Many cities in Massachusetts report that they have no transient problem.

#### " MICHIGAN

"Coldwater (6,700): Feed one meal and keep overnight. They get their own supper or breakfast for 6 cents each.

"Negaunee (6,500): Handled by police department. Each man gets two nights' lodging and four meals and orders to leave town.

"Greenville (4,700): Charged back to the community from which they come. So far reimbursed for all except 5 per cent.

"Kalamazoo (54,000): Two meals; managed by Federation of Labor.

"Ann Arbor (27,000): Not taken care of.

"East Detroit (6,000): Very few. Given night's lodging in jail.

"Jackson (55,000): Cared for mostly by private contributions.

"Detroit (1,560,000): Housed, fed, and cases looked into.

"Ishpeming (9,000): Given two meals by Salvation Army and moved on.

"Buchanan (4,000): Sleeping quarters only.

"Gladstone (5,000): Handled by superintendent of poor and Salvation Army.

"Berkley (5,500): Cared for and cost charged back to place of last legal residence.

"Grand Lodge (3,500): Lodging overnight and one meal.

"Lansing (78,000): Single men housed and fed by Volunteers of America, who are helped by city.

"Dowagiac (5,500): Shelter only.

"River Rouge (17,000): Minor problem. Either contact relatives or return family to legal residence.

"Ionia (6,000): Through the county jail.

"Melvindale (4,000): Few here. Attempting to return to proper sources.

"Wakefield (3,000): In order to obtain relief here applicant must have resided in city two years and be citizen of the United States.

#### " MINNESOTA

"Owatonna (7,600): Meals and necessary funds to keep going to their destination.

"St. Louis Park (4,700): Temporary aid and removal to home place.

"Northfield (4,000): Lodging in jail. Small hand-outs of food.

"Fergus Falls (9,000): Temporary relief and pass them on.

"Sauk Rapids (2,600): Not caring for problem.

"Duluth (101,000): Caring for 600 men at Bethel—for men.

"Marshall (3,000): Meal tickets for one meal.

"Eveleth (7,000): A meal and ask them to move on.

"Lake City (3,000): Lodging one night at city jail for single men. Hotel furnished for women and families. One meal (if weather bad, more) and gas for those with cars.

"Austin (12,000): Meal tickets given by police.

"Willmar (6,000): Food twice a day through Salvation Army.

"Montevideo (4,300): Police department takes a record. They are given a 20-cent meal through a ticket system. Told to leave town as soon as possible and not repeat.

"White Bear Lake (2,600): Local welfare organization gives meal tickets in exchange for work.

"Luverne (2,600): Lodging and some food.

"Blue Earth (2,800): One meal and keep them moving.

"Minneapolis (464,000): Through the Union City Mission

"Stillwater (7,000): Through private relief agencies.

"Crosby (3,400): Through private charity.

"New Ulm (7,300): Feed individually. No relief by city or welfare committee.

"Hastings (5,000): Shift for themselves.

"Worthington (3,800): Place to sleep and one 15-cent ticket for meal or groceries given by city.

"A very high percentage in increase of unemployment in Minnesota.

#### " MISSISSIPPI

"Columbia (4,800): Feeding them.

"Louisville (3,000): Given food.

"Starkville (3,600): Lodging and having them move on.

"Kosciusko (3,200): We are not meeting the problem.

"Tupelo (6,000): Food and lodging worked out on municipal projects. Where not able to work, asking them to move on.

"Belzoni (2,700): Through the Red Cross.

"Biloxi (14,800): Nothing being attempted in this connection.

"Vicksburg (22,900): This city gives a monthly allowance to the Salvation Army to meet this problem.

"Several of the Mississippi cities report that they can not make an allowance for unemployment relief because of their finances.

#### " MISSOURI

"Webb City (6,800): Salvation Army looks after and sleep men in city hall.

"Independence (15,000): Feed and advise them to return to home communities.

"Brookfield (6,000): Work them in wood yard.

"Ferguson (4,000): Lodge in city hall basement. Make no attempt to feed.

"Marceline (3,500): Through private agency.

"Mexico (8,000): Sleep in city hall and ticket for breakfast.

"Joplin (33,000): Two meals and one bed.

"Crystal City (3,000): One night's lodging and transportation to next stop.

"Aurora (3,800): Temporary relief and get back to their homes.

"Trenton (7,000): City furnishing lodging.

"Maryville (5,000): Taking care only of necessities.

"Kirksville (8,000): Place to sleep, one hour work on wood pile, and one meal ticket.

"Boonville (6,400): Food; lodging at city calaboose.

"Warrensburg (5,000): Try to care for immediate needs and furnish transportation out of town.

"Poplar Bluff (7,500): Cared for inadequately. Permit them to beg without fear of arrest and sleep in police station.

"Lebanon (3,500): Not meeting the problem.

"Chaffee (2,900): Allow to sleep in city hall basement and push on to Memphis or St. Louis, where there are facilities for caring for them.

"Charleston (3,300): They cut wood.

"Monett (4,000): Have a club to take care of them.

"Carthage (9,000): Give them something to eat and send on.

"Washington (5,900): Through private subscription.

"Sedalia (20,000): They have sleeping quarters in city jail and two meals per day through the Salvation Army.

"Perryville (2,900): Cared for through local Red Cross.

"Higginsville (3,300): In the city jail.

"Fredericktown (2,900): Through a community fund.

"Jefferson City (21,000): One meal at Salvation Army. Sleep in city hall.

#### " MONTANA

"Deer Lodge (3,500): A summer problem. City and county jointly operated a soup kitchen last summer and over 200 fed daily.

"Roundup (2,500): No organized relief.

"Miles City (7,000): City soup kitchen and lodging.

"Among the few cities reporting in this State there is a percentage of increase in unemployment up to 700 per cent. Three cities report no city appropriation for the unemployed.

#### " NEBRASKA

"Grand Island (18,000): City feeding and housing them.

"Lincoln (75,900): Through missions and Salvation Army.

"Alliance (6,000): Lodging in jail one night only. Labor not to exceed one day.

"Nebraska City (7,000): Soup kitchen at police station.

"Beatrice (10,000): Sleeping quarters in city hall and ticket for breakfast.

"Hastings (15,000): Salvation Army and Red Cross and city furnish meals at 15 cents.

"Superior (3,000): Food and shelter one day.

"Lexington (2,900): Meal and bed and send on.

"Kearney (8,000): Help them along.

"Sidney (3,300): Doing nothing.

"Fremont (11,000): Fed through Salvation Army. City payr Salvation Army in return for work on woodpile.

## "NEVADA"

"Las Vegas (5,000): Single unemployed work for two meals. Families cared for on emergency basis and plans made to return to legal residence.

## "NEW HAMPSHIRE"

"Franklin (6,000): One meal; one night's lodging.  
 "Lebanon (6,000): Through a Salvation Army fund left from two years ago.  
 "Concord (25,000): Given temporary relief.  
 "Exeter (4,000): Lodging overnight and breakfast.  
 "Laconia (12,000): City feeds them.

## "NEW JERSEY"

"Camden (118,000): Food orders while unemployed.  
 "Metuchen (5,000): None considered for relief.  
 "North Plainfield (9,000): Emergency food order and night's lodging in police headquarters.  
 "Haledon (4,000): Can not meet the situation.  
 "Butler (3,300): Giving temporary relief.  
 "Cliffside Park (15,000): Removing to legal residence.  
 "Maywood (3,400): No way of helping.  
 "Egg Harbor (3,000): Give relief where necessary and order to former residence.  
 "Rockaway (3,000): Not trying to meet it.  
 "Atlantic City (66,000): Give them emergency orders, and if they do not have legal settlement refuse further aid.  
 "Phillipsburg (19,000): Sleeping quarters and bread. They must beg other food.  
 "Margate City (2,900): Try to feed for two days and request them to leave.  
 "Carlstadt (5,000): Night's lodging and meals.  
 "A great majority of the cities in New Jersey state that it will be impossible for them to care for their unemployed—at least, not without aid.

## "NEW MEXICO"

"Deming (3,000): Public work in exchange for food and lodging.  
 "Alamogordo (3,000): Not meeting it.  
 "Tucumcari (4,100): Not meeting problem.  
 "Roswell (11,000): Through Salvation Army soup kitchen and beds.  
 "Raton (6,000): Sleeping quarters and food orders.  
 "Santa Fe (11,000): Have no city funds for this, same being handled privately.  
 "Clovis (8,000): Through the Salvation Army.  
 "Of the 7 cities in New Mexico answering this question 4 state that they can not care for all their unemployed this winter, 2 can, and 1 can if present Federal aid continues.

## "NEW YORK"

"Cohoes (23,000): Transportation from private funds. Emergency relief until residence established.  
 "Frankfort (4,000): Not meeting the problem.  
 "Gowanda (3,000): Shelter and breakfast in local jail. (Had 800 in 1932.)  
 "Canton (2,800): Meal and lodging and they go on.  
 "Greenport (3,000): If resident of some other State, cooperate with private agencies and make sure he gets sufficient temporary relief till he reaches legal settlement.  
 "Baldwinsville (3,800): Sending back to towns from which they came.  
 "East Syracuse (4,600): Town and county welfare relief.  
 "Monticello (3,400): Helped by charity.  
 "Batavia (17,000): Red Cross gives food and Catholic Charities (Inc.) also assist.  
 "Massena (10,000): Lodging at police station.  
 "Fredonia (5,800): Free lodging and meals contributed by private and public relief.  
 "Rochester (328,000): A county problem. Usually send them back to place of settlement.  
 "Granville (3,400): Food and shelter in jail. Veterans cared for by American Legion.  
 "Potsdam (4,000): Housing and night's lodging.  
 "Seneca Falls (6,000): Have no means for handling.  
 "Amsterdam (38,000): Give them night's lodging and couple of meals. If more required refer them to county commissioner of public welfare.  
 "Haverstraw (2,800): Helped when asked.  
 "Olean (21,000): Lodge at police station. Eat at Salvation Army.  
 "Watervliet (16,000): Billed to home community.  
 "Irvington (3,000): Free lodging and breakfast at police quarters.  
 "Dunkirk (17,000): They are taken care of among the people. Are taken care of.  
 "Hamburg (4,700): One night's lodging, meals, and instructions to move on.  
 "Kingston (28,000): Private agencies and police department.  
 "Lynbrook (13,000): No relief given.  
 "Garden City (7,000): On village improvements.  
 "Mechanicville (7,900): Give lodging.  
 "Wellsville (5,600): Through Salvation Army.  
 "Tonawanda (12,000): Emergency relief until they can be sent back to legal residence.  
 "Ogdensburg (16,900): Taking care of and charging back to place of residence.  
 "Johnstown (10,800): By Salvation Army and police department charged back to welfare department.  
 "Fulton (12,000): Sheltered overnight and fed.

"Lackawanna (23,000): Through police and Father Baker's institution.

"Dunkirk (17,800): Through private agencies.  
 "The increase in unemployment over 1931 is large in New York. The appropriations for unemployment in many cases are much smaller than the reported increase in unemployment. In some cases this appropriation shows a decrease. The percentage contributed by private agencies is on the whole small.

## "NORTH CAROLINA"

"Charlotte (82,000): Work on woodpile. Have adequate shelter, etc.  
 "Burlington (9,700): We ask them to go home.  
 "Lexington (9,600): Room and meals.  
 "Concord (11,800): The Salvation Army provides quarters.  
 "Thomasville (10,000): Lodging and meals and help them reach destination.  
 "Edenton (3,500): Give food and shelter and pass on.  
 "Smithfield (2,500): Sleeping quarters and one meal.  
 "Cherryville (2,700): Send back or on their way.  
 "Salisbury (16,900): Through Salvation Army, Travelers' Aid, and R. F. C.  
 "Morehead City (3,400): No definite program.  
 "Rockingham (2,900): Can not meet the problem.  
 "Raleigh (37,000): Relief committee supplements budget for this.  
 "Rocky Mount (21,000): Through the Salvation Army.  
 "Goldsboro (14,900): Through the Salvation Army.  
 "In North Carolina it is noticeable that the appropriation for unemployment relief does not keep pace with the increase in unemployment. For instance Salisbury reports a 100 per cent in unemployment and no increase in appropriation. Rockingham an increase of 200 per cent in unemployment and no increase in appropriations and the private agencies, help has increased only 20 per cent.

## "NORTH DAKOTA"

"Williston (5,000): Allowed to eat at community kitchen.  
 "Bismarck (11,000): Community kitchen.  
 "Valley City (5,000): Give them a meal and send them on.  
 "Williston shows a 100 per cent increase in unemployment over 1931 with a 33½ per cent increase in appropriation for unemployed and no private agencies helping and an inability to issue more bonds.

## "OHIO"

"Findlay (19,800): Through the Salvation Army.  
 "Newark (30,000): Through the Salvation Army and county commissioners.  
 "Chillicothe (18,000): Handled through local funds.  
 "Tiffin (16,000): American Legion handles.  
 "Kenton (7,000): Help two out of five.  
 "Oxford (2,500): Through donations.  
 "Greenville (7,000): Shelter for night and breakfast.  
 "Miamisburg (5,500): Transportation and feeding and lodging where necessary.  
 "Zanesville (36,000): Have given funds to Salvation Army for this purpose.  
 "Rittman (2,700): Not aiming to meet their needs.  
 "Canton (10,000): Lodging houses for 24 to 48 hours.  
 "Upper Sandusky (3,800): Not in position to offer much.  
 "Wellston (5,300): Lodging only.  
 "Lorain (44,500): Salvation Army handles at 20 cents per individual per week.  
 "Shelby (6,000): Lodging in city jail; some clothing and shoes.  
 "Shadyside (4,000): Fed by citizens and permitted sleep in jail.  
 "Warren (41,000): Lodged in city-rented building by Salvation Army and fed and such necessities as Salvation Army can supply.  
 "Ashland (11,000): Feed them for 15 cents a meal.  
 "Orrville (4,400): Lodging; that's all.  
 "Waterville (2,800): Doing nothing.  
 "Ashtabula (23,300): Do not care for.  
 "Wapakoneta (5,000): Help them to next place.  
 "Mansfield (33,000): Through private agencies.  
 "East Liverpool (23,000): Flop and breakfast only.  
 "Maumee (4,500): Out of our own and the mayor's pocket 15 cents a meal.  
 "Elyria (25,600): Through the Salvation Army.  
 "Hillsboro (4,000): Through Red Cross.  
 "Medina (4,000): Feed them at town hall from donations.  
 "Marion (31,000): Salvation Army feeds at 8 cents a meal.  
 "Bedford (6,000): Housed in jail and small amount of food.  
 "Cincinnati (451,000): Through a central registry and transient service bureau.  
 "Kent (8,000): Just sleeping quarters.  
 "Circleville (7,000): Two meals and one night's lodging.  
 "Conneaut (9,000): Not meeting it.  
 "Dayton (200,900): One to two night's lodging and meals.  
 "North Olmsted (2,000): Food and sleeping quarters.  
 "Bexley (7,000): Sending them into Columbus, Ohio.  
 "Euclid (12,000): Temporary relief in the form of overnight housing.  
 "Fairport (4,900): Through branch of Red Cross.  
 "Wadsworth (5,900): Giving free lunch and lodging.  
 "Cleveland (900,000): Being met by Wayfarers Lodge, which is operated by Associated Charities. It is supported in part by the community fund, part by the city of Cleveland, and part by county of Cuyahoga, with the assistance of State funds (in 1932).  
 "The proportion of increase for 1932 as compared with the unemployment problem in 1931 is very great in Ohio. In few of



the cities does it go below 50 per cent above the 1931 figure, running round 100 per cent and over in almost all the cities reporting. The appropriation for unemployment has not increased in the same proportion. We find a city with 160 per cent increase in unemployment and only 100 per cent increase in appropriation; another with 200 per cent increase in unemployment and 100 per cent increase in appropriation; another with 95 per cent increase in unemployment and 45 per cent increase in appropriation. Out of 47 cities only 2 reported a weekly allowance to a family of over \$5—most of them running between \$2.50 and \$4. In a number of cases funds of private agencies have decreased.

#### "OKLAHOMA"

"Nowata (3,500): Feed them one day.  
 "Marlow (3,000): In extreme cases feed and send out of town. In most cases just send out of town.  
 "Shawnee (232,000): Salvation Army soup kitchen; also a church and a Federal post at Fort Sill with cots.  
 "Seminole (11,000): Emergency relief. Advising them to pass on.  
 "Holdenville (7,000): Let them sleep in flop house; give a bowl of soup in the morning and order them out of town.  
 "Purcell (2,800): Give temporary beds, a cheap meal, a small allowance of gasoline.  
 "Okmulgee (17,000): Handled by Salvation Army, supported by city.  
 "Wewoka (10,000): Give a meal, lodging, and send on way.  
 "Wilson (2,500): Not meeting the problem.  
 "Guthrie (9,500): Give meal or a little gas.  
 "Cordell (2,900): Unable to do anything.  
 "Hugo (5,000): Meet it out of our own pockets.  
 "Vinita (4,200): Through a community kitchen.  
 "Altus (8,000): Temporary relief only. Pushing them on where possible.  
 "Ada (11,000): Give them one day's work and have them move on.  
 "Out of 13 cities answering a question as to whether the city can care for all who will need relief 11 answer 'no,' 1 'barely possible,' and 1 can 'with outside help.'

#### "OREGON"

"Roseburg (4,000): Through Salvation Army (city pays expense).  
 "St. Helens (3,900): Sending them on.  
 "Pendleton (6,600): Giving them a meal or two and one night's lodging.

#### "PENNSYLVANIA"

"Turtle Creek (10,600): Do nothing.  
 "Doylestown (4,500): Meet from private contributions.  
 "New Castle (48,000): No provision for this.  
 "Oakmont (6,000): Not meeting the problem.  
 "Red Lion (4,700): Meeting it in part.  
 "South Fork (3,200): Can not now take care of them.  
 "Kulpmont (6,000): Must take care of themselves.  
 "Elizabethtown (3,900): Night housing and hand-outs from citizens.  
 "Pen Argyl (4,000): Community welfare funds.  
 "Chambersburg (13,700): Through Salvation Army; Traveler's Relief.  
 "North East (3,600): Feeding from borough funds in the a. m. only.  
 "Erie (115,000): Lodging only.  
 "Elizabeth (2,900): Night's shelter in jail.  
 "New Cumberland (4,200): Trust to luck and depend on housewife.  
 "Homestead (20,000): Through a soup line and housed in municipal building.  
 "Quakerstown (4,800): Night's lodging and some breakfast.  
 "Tamaqua (12,900): At a restaurant where city pays for food, and the Salvation Army.  
 "Scranton (143,000): Refer to place of legal settlement.  
 "Gettysburg (5,500): Night's lodging and breakfast.  
 "Crafton Borough (7,000): Bath, two meals, and a place to sleep.  
 "Wyoming (2,700): Can not meet problem at all.  
 "Avalon (5,900): Feed at police station.  
 "Sunbury (15,000): Not encouraged to remain in city. Chronic itinerants, known to police usually committed to county jail for 10 days, affording opportunity to clean up, bathe, and get their clothes clean and stomachs full. Others are furnished with lodging as follows: City hall for 1932, 5,200; Y. M. C. A. (restricted to certain classes), 517. No clothing or food furnished. Local hospital feeds such persons to extent of extra food prepared and not consumed.  
 "Spangler (2,700): Place to sleep and breakfast next morning.  
 "Dubois (11,000): Through Salvation Army.  
 "Pitcairn (6,500): Twenty-five sleep in borough jail each night; nothing else done.  
 "Wesleyville (2,800): Give what we can.  
 "Springdale (4,700): House men in lockup and give local relief where necessary.  
 "Pittsburgh (669,800): During past year the homeless-men problem has become acute, and in December, 1932, approximately 6,000 homeless men were given assistance. We estimate that about 3,000 of these men are residents of Allegheny County and 3,000 transients. Transient unemployed cared for by a number of agencies using funds from various sources. Just recently have arranged with the State emergency relief board to provide food

for free meals served by certain of these agencies. (For bulletin concerning service to homeless persons, write Bureau of Social Research, Federation of Social Agencies of Pittsburgh and Allegheny County, 711 Wabash Building, Pittsburgh, Pa., vol. 1, No. 2, November-December, 1932.)

"Pottstown (19,400): Lodging and breakfast.  
 "Hellertown (3,800): Through welfare association.  
 "Windler (9,000): Feed and a place to sleep.  
 "East McKeesport (3,000): Can not care for local relief properly.  
 "Reynoldsville (3,400): Bed to sleep and in many cases buy a meal.  
 "Nazareth (5,500): Through poor board and police activity in making them move along.  
 "Nanty-Glo (5,500): Not meeting it at all.  
 "Harrisburg (80,000): Problem not being met; try to feed and lodge them.  
 "Sharon (25,900): Sleepers in jail get supper and breakfast.  
 "West Chester (12,000): Through Salvation Army.  
 "Belle Vernon (2,400): Not meeting problem in any way; unable to.  
 "Sugar Notch (2,700): Unable to meet problem.  
 "Emporium (2,900): Sleep in jail and a lunch at night.  
 "Taylor (10,000): Can't meet the problem.  
 "Out of 69 cities answering the question as to whether the community can care for all who will need relief 46 answer 'no,' 9 will need help, 13 answer 'yes,' and 1 says 'barely.'

#### "SOUTH CAROLINA"

"Clinton (5,600): House and feed.  
 "Greenwood (11,000): Through public subscription.  
 "Marion (4,900): Partially through local board of charities.  
 "Gaffney (6,800): Through Salvation Army, food and place to sleep.  
 "York (2,800): Lodge for night and help get rides, if possible.  
 "Darlington (5,500): Unable to aid.  
 "Union (7,500): Through Salvation Army.  
 "Hartsville (5,000): Meal and gas and advice to move on.  
 "Easley (4,800): Not being met.  
 "Charleston (62,000): Carried by Salvation Army and Star Gospel Mission. City discourages transients and strictly enforces vagrancy laws. Where transient families have come in a vain endeavor to secure work, the city has in several cases given them free transportation by truck back to original home.  
 "Out of 11 cities in South Carolina answering the question as to whether the community can care for all who will need relief, 10 answer 'no.' Five cities report no appropriation to take care of unemployment. All of the cities answering the question as to whether they can float further bond issues to meet relief say 'no.'

#### "SOUTH DAKOTA"

"Huron (10,900): Salvation Army does the best it can.  
 "Sioux Falls (33,000): Beyond one night's lodging and two meals we send them on.  
 "Brookings (4,300): In extreme emergency give them meal and bed.  
 "Yankton (6,000): Feed and send on.  
 "Pierre (3,600): Not helping them.

#### "TENNESSEE"

"Columbia (7,800): Free sleeping and sometimes food.  
 "Loudon (2,500): Can't help; they beg.  
 "Lebanon (4,600): Have move on as fast as possible.  
 "Fayetteville (3,800): Helping them out of town.  
 "Franklin (3,800): Feed and give transportation money to pass on.  
 "Jackson (22,000): Meals and lodging overnight and other help in sickness or absolute necessity.  
 "Newport (2,900): Through street collections.  
 "Milan (3,100): Help and get them out of town.  
 "Kingsport (11,000): One night's lodging; not more than two meals (for which they are required to work if able), and advised to move to ultimate destination.  
 "Johnson City (25,000): Whatever help they can get from the Salvation Army.  
 "Shelbyville (5,000): Moving them on.  
 "Harriman (4,500): Have no provision for this problem.  
 "In Tennessee 5 out of 10 cities answering the question report no appropriation for relief of unemployed; 11 answer the question as to possibility of floating further bond issues for relief and 10 of these can not float issues for this purpose. Out of 10 answering the question as to increase in unemployment over 1931, 7 give over 50 per cent increase.

#### "TEXAS"

"Seymour (2,600): Where worthy and able to work giving employment out of Reconstruction aid.  
 "Luling (5,900): Give meal and insist that they go back to their own community.  
 "Jasper (3,300): Through soup kitchen only.  
 "Bowie (3,000): Each case separately treated; sent to destination.  
 "Brady (3,900): One meal and enough gas to get to next town.  
 "Terrell (8,700): No organized effort; they solicit on street and Red Cross helps.  
 "Huntsville (5,000): Giving work where possible.  
 "Big Spring (13,000): Food and clothing in dire cases.  
 "Edinburg (4,800): Warm room to sleep; little food to women and children and ask them to move on.  
 "McAllen (9,000): Impossible to meet problem without State or Federal aid.

"Pampa (10,400): Temporary aid and ask them to move on to place of residence.

"New Braunfels (6,200): Quarters, food, and transportation furnished by city.

"Center (2,500): Temporary relief and forwarding on.

"Nacogdoches (5,800): Few days' work, depending on size of family; then ask them to move on.

"Floydada (2,600): Assisted on way by purchase of gas or securing transportation in direction headed.

"Denton (9,500): Two meals and house and require them to pass on (required to chop wood, etc.).

"Cleburne (11,500): Try to send back to homes.

"Amarillo (43,100): Met in a measure by community chest organizations.

"Canyon (2,800): Food and transportation out of town.

"Gatesville (2,600): Try to get them to go to some relation.

"Midland (5,400): Make them work on streets for 24 cents an hour. In few cases of helpless destitute, give direct relief without work.

"Gainesville (8,900): Flatly refuse to help.

"Crockett (4,400): Feed and pass on; sometimes give them groceries.

"Taylor (7,000): Through Reconstruction Finance Corporation relief funds.

"Of 32 cities answering the question as to increase in appropriations for unemployed this year over 1931; 15 report no increase; 9 report no appropriation at all for 1932; and several report a decrease. Of 37 cities answering the question as to whether further bond issues were possible for relief, 35 answer 'no' and 2 'yes.'

#### "UTAH

"Ogden (40,000): Bunk house and meal tickets.

"Helper (2,700): Warm place to sleep. No food.

#### "VERMONT

"Brattleboro (8,000): 10-cent lunches and beds in police station.

"St. Johnsbury (7,000): Temporary help at least.

"Proctor (2,500): On the woodpile.

"Windsor (3,600): Food and night's lodging by chief of police.

#### "VIRGINIA

"Hopewell (11,000): By Salvation Army and city contributing.

"Lynchburg (40,600): Police lodging; Salvation Army; appropriation by city.

"Fredericksburg (6,800): Emergency relief only. Night's lodging and two meals.

"Waynesboro (6,200): A hand-out.

"Covington (6,300): Red Cross.

"Norfolk (129,000): Endeavor to return to legal residence.

"Petersburg (28,500): In 90 per cent of cases send back to home cities.

"Big Stone Gap (3,900): Aid with funds to other points.

"Suffolk (10,200): One meal and required to leave city.

"In Virginia only two cities answering feel that they can meet their unemployment problem without Federal aid.

#### "WASHINGTON

"Bremerton (10,000): No provision. It has become quite a problem.

"Spokane (115,500): Some provision for young women and roving boys and others in extreme necessity. For a limited time. Women and indigents sometimes returned home.

#### "WEST VIRGINIA

"New Martinsville (2,800): Welfare assistance.

"Keyser (6,000): Through the city administration.

"Hinton (6,600): Sleeping shelter and one meal.

"Grafton (7,700): Bed and breakfast.

"Elkins (7,000): Unable to do anything except perhaps help to get to their own communities.

"Bluefield (19,000): They work for lodging and a meal.

"Fairmont (23,000): They are helped by Salvation Army.

"Hollidays Cove (4,400): Through Salvation Army.

"Benwood (3,900): Sleep in jail and ordered to leave town.

"Only one city out of nine answering the question concerning ability to care for all who will need help in community states that it will be able to take care of the situation, but it must have some help.

#### "WISCONSIN

"Stevens Point (13,600): Under supervision of industrial commission.

"Platteville (4,040): They pay for lodging and meals by work on rock pile.

"Hartford (3,700): Housed in jail and asked to keep going; except to be reimbursed by county system for transient expense.

"Beaver Dam (9,800): Quarters for sleeping in city jail and breakfast.

"Waupaca (3,131): Room and one meal.

"Chippewa Falls (9,500): Free meals and move on.

"Ladysmith (3,400): Work on woodpile.

"Fort Atkinson (5,700): Transients are cared for through operation of a transient station operated by the city in cooperation with local merchants, who supply considerable of the food. A total of 3,505 men registered through the station during the year 1932, all of whom received lodging, and to whom 7,749 meals were served. Transients are permitted to remain but 24 hours and to repeat not oftener than once per month.

"Menasha (9,000): Night lodging and breakfast and request to move on.

"Portage (6,300): Supper, bed, and breakfast at transient depot run by welfare association, Red Cross, etc.

"Jefferson (2,600): Lodging and breakfast provided by city.

"Stoughton (4,400): Housed in city building, fed by private individuals.

"Reedsburg (2,900): Shelter and food through police department.

"Oconto (5,000): So far by private means.

"Tomahawk (3,000): Sleep and cook in city hall. They beg and work.

"Ripon (3,900): Lodging and one meal.

"Racine (67,500): Urged not to stop. In severe weather night's food and lodging.

"Shawano (4,100): Through chamber of commerce.

"Eau Claire (26,000): By Salvation Army and city.

"Waukesha (17,000): Night's lodging at hotel. Two meals.

"Park Falls (3,036): Take care of them along with the local people.

"Rice Lake (5,100): Have specially prepared room in city building where they bathe, cook, wash, sleep, and keep warm.

"Prairie du Chien (3,900): Send to next town.

"Viroqua (2,700): Through the local community chest.

"Menomonie (5,500): Charge expense back to county.

"Delavan (3,300): Clothing and some food.

"Baraboo (5,500): House nights and breakfast.

"Fond du Lac (26,400): Shelter and food.

"Appleton (25,000): Send them to Oshkosh or Green Bay to State headquarters or to State barricades.

"Two Rivers (10,000): Place to sleep and meal and when necessary transportation home.

"Sheboygan (39,000): According to plan of industrial commissioner of Wisconsin.

"La Crosse (39,500): Quarters through industrial commissioner of Wisconsin.

"Merrill (8,400): Lodging and one meal a day.

"Oshkosh (40,000): Have a relief station.

"Janesville (21,600): Salvation Army supported by private funds. Also industrial commissioner is handling this problem.

"Madison (57,800): 24 hours' board and lodging.

"The percentage of relief in Wisconsin cities answering the questionnaire seems negligible. In answering the question as to whether the community can take care of all those who will need relief 39 cities answering this question were divided as follows: 17, no; 9, yes; 10 could with aid from outside; 3 were doubtful."

#### "WYOMING

"Cheyenne (17,300): Through the Salvation Army."

Mr. COUZENS. Mr. President, the provision which the Senator from Iowa [Mr. DICKINSON] seeks to have taken out of the so-called Wagner substitute was thoroughly debated a week ago to-day and a week ago last Saturday. The Senator from Iowa has disclosed his attitude toward all relief of the unemployed youth and others, particularly single men. The Senator from Iowa was chairman of the subcommittee on Military Affairs, which held no hearings, and reported out, in cooperation with his colleagues, the amendment to the War Department appropriation bill providing for the care of 88,000 boys in military camps. They reported it adversely and unanimously. The Senate demonstrated last Monday its disposition and desire to take care of those boys. If the Senate is of the same mind that it was then, it should ignore the motion of the Senator from Iowa. The Senator from Iowa does not care what becomes of these youths or the unemployed.

Mr. DICKINSON. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Michigan yield to the Senator from Iowa?

Mr. COUZENS. I yield.

Mr. DICKINSON. The Senator is not justified in any such conclusion as that. As a matter of fact we have gotten along for one hundred-odd years in this Government without having to establish rehabilitation or work camps such as the Senator proposes. I do not know how many of them the Senator expects to establish in the United States. If there are a million of these men, the Senator would have the munificent sum of \$15 a piece to spend on them in these camps. As a matter of fact, it is simply the beginning of a program which, in my judgment, will finally result in taxation that can not possibly be maintained for the benefit of this type of people.

Mr. COUZENS. Mr. President, the Senator is of just that stand-pat type, as I have told him personally. I am saying nothing now that I have not said to his face in private conversation. He is one of the men who never want to do anything new. He wants to stand pat on everything, rely upon history and precedent, and no emergency can arise anywhere in the United States, humane or otherwise, which will



budge the mind of the Senator from Iowa. His mind is eternally fixed, as solid as the Rock of Gibraltar, and no heart beat can change his position. In many respects I am as hard-boiled as he is, but, Mr. President, I refuse to be controlled by his yardstick. I refuse to be guided by his heartbeats, for I do not know whether he has any or not. But I do know that he has a lack of consideration and sympathy for the 88,000 boys for whom we provided care in military camps. As chairman of the subcommittee of the Committee on Military Affairs, he opposed that proposal and put it over unanimously in the committee.

Mr. CUTTING. Mr. President, will the Senator yield?

Mr. COUZENS. Certainly.

Mr. CUTTING. May I point out to the Senator for the benefit of the Senator from Iowa that the provisions in the bill make no mention of camps? They leave each State to select its own methods for dealing with the situation. It might be through camps; it might be through some other method; but the primary need which is to be taken care of by the States is, when possible, to send these transients home.

Mr. DICKINSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from Michigan has the floor. Does he yield to the Senator from Iowa?

Mr. COUZENS. I yield.

Mr. DICKINSON. I want to suggest that line 23, page 3, reads as follows:

And to aid in their rehabilitation in training and work camps.

I do not know how the English language could be any plainer than that.

Mr. WAGNER. Mr. President—

Mr. COUZENS. I wish to point out that that provision is discretionary.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. COUZENS. I yield.

Mr. WAGNER. I just wanted to make that very statement; that the word "camps" does not appear in the Costigan-La Follette bill. I included that merely as a suggestion to the States; but each State, in dealing with this problem, is at liberty to adopt any plan or any policy it may see fit, and is in no way limited by this legislation.

Mr. CUTTING. In other words, it is not a compulsory feature of the Senator's bill?

Mr. WAGNER. Not at all; it is merely a suggestion, which I incorporated in the bill in view of the proposal some days ago of the Senator from Michigan [Mr. COUZENS].

Mr. CUTTING. It was not included in my provision. I notice that the provision in the substitute of the Senator from New York reads:

In training and work camps or otherwise.

So that is in no way a compulsory feature of the bill; it is simply left to the States to carry out their own policy, subject to the approval of the Federal board.

Mr. COUZENS. Mr. President, in the debate we had last Monday, in particular, and on the previous Saturday, it was pointed out that there are at least a million and a quarter homeless single men alone, and the proposal I made was to take care of those from 17 to 25 years of age. It was afterwards amended in the Senate to provide for those not under 15 or over 21, which leaves unprovided for almost a million single men over 21 years of age, graduates of high schools and colleges, young men who have never had a job during the nearly four years of depression. For three years the colleges and schools have been graduating young men who have never had an opportunity for employment, who have never had an opportunity to earn a dollar. During the discussion a week ago the very excellent care that was being taken of some three or four thousand young men in the camps of California was pointed out. This money can be used to aid and augment that sort of activity. Every forester knows the opportunities in the forests of the United States to set up camps where healthy and desirable work can be afforded.

Mr. President, in view of what was said a week ago, I do not care to debate the matter any longer, but I do hope the

Senate will not approve of the amendment of the Senator from Iowa.

Mr. GRAMMER obtained the floor.

Mr. ASHURST. Mr. President—

The PRESIDENT pro tempore. The Chair understands that the Senator from Arizona wishes to perfect the text of the proposal?

Mr. ASHURST. Yes; I wish to have a vote on my amendment before the vote finally comes on the motion to strike out. In other words—and I ask the Chair for advice—have I not the right to perfect it?

The PRESIDENT pro tempore. Inasmuch as the text must be perfected before it can be otherwise dealt with, the Chair will see to it that that vote is taken on the amendment of the Senator from Arizona.

Mr. ASHURST. I thank the Chair.

Mr. GRAMMER. Mr. President, I rise at this time, while this important measure is pending, with great sympathy in my heart not only for the unemployed man who is seeking and would like to secure honest employment in his vicinity but also for the man who is employed, if you please, but finds his burden heavy. When we perform an act as individuals or as a legislative body, if we wish to maintain our standing among our friends and in our respective communities, indeed, if we wish to maintain the standing of the Nation, we must ponder well the result of any action we may contemplate taking.

Mr. President, what will be the result in case a very large appropriation, for the purposes designed by the pending measure, shall be made by the Congress at this time? I wish to be conservative in the figures I shall give, and I shall deal in round figures. I believe that the records show that the United States Government now owes in excess of \$20,000,000,000, upon which an average of 3 per cent interest is being paid. I understand that within the last 12 years the national debt of our country has been reduced by some \$3,000,000,000. It is easy to see that if the reduction in our national debt shall continue at the same rate, namely, \$250,000,000 a year, it will require 80 years to pay the obligations which the Government now owes and should pay.

Applying the same calculation to the \$600,000,000 involved in the pending bill and computing the interest which we must pay at 3 per cent—simple, annual interest, if you please—it amounts to \$18,000,000 a year; so that in 80 years the interest alone will aggregate \$1,440,000,000. Thus, the appropriation of \$600,000,000, which we are about to make, will by that time have cost the people of the United States \$2,040,000,000.

If it shall cost 5 per cent to administer this \$600,000,000 fund, there will be left \$570,000,000 to be applied to relief, which, as I understand, is to be devoted largely to public works and similar activities.

So, Mr. President, by a very short process of division, we find that in order at this time to get the use of \$570,000,000, before that sum shall actually be repaid it will cost, as I have already said, \$2,040,000,000, and the actual present benefit to be derived from that vast expenditure will be but 28 per cent of the cost. Can we afford to indulge in such extravagance? Do we want to build roads or overhead crossings or tunnels or canals or any other imaginable project in the United States at this time, Mr. President, at an expense of 100 per cent when we can only receive 28 per cent in value? Can we afford to do that? May we do it?

Mr. President, if 2 decades be a generation, 80 years constitute 4 generations, and, according to the figures which I have given, we are starting now on the fifth generation of indebtedness. Our great-great-great-grandchildren are the ones who are to repay this \$600,000,000. Are we so cowardly as men that we are willing to mortgage the blood and the happiness of a generation five times removed from us in order to do something at this time for which we only get 28 cents on the dollar? If we should do such a thing, our posterity in their day and generation should rise up to shame the day in which we lived.

Mr. President, these may be broad statements, and they may not coincide exactly with the ideas of other Senators, but I see no other result. It seems to me that the Congress has simply gone wild; it has indulged in an orgy of appropriations for the past 25 years. Vast sums of money have been appropriated for many things. Have we received even 28 per cent for much of the money that has been appropriated by the Congress?

I want, Mr. President, to leave with the Senate this further thought: This Nation is divided into some 48 States; these States themselves have some obligations to perform through their governors and treasuries, if you please. Have they lined themselves up and said to the Congress of the United States, "We are helpless; we have used every possible resource"? And have they proven it by showing that they can not sell their bonds, that their resources are absolutely exhausted, and that it is up to Congress to supply them with money with which to feed the unemployed and take care of those who are in distress? I think, sir, that quite the opposite is the fact. It seems to me that the Congress is trying to force upon the States money with which to feed and care for their people. No doubt many people need to be taken care of, but, in my estimation, as I see it, if I were the governor of a State—which I never was and never expect to be—I think that I should make sure that the people of my State would certainly have the benefit of their own resources before I would appeal to Congress to appropriate money supplied by the taxpayers of the Nation.

Mr. President, if I may have a moment more, why do I say that? It costs money to collect the taxes and put them into the Treasury of the United States and then disburse them again. The very best thing we can do to help the taxpayer and the mortgagor and those in distress is not to collect more taxes but to leave the money in the hands of the individual who gets a hundred per cent benefit of it instead of a 28 per cent benefit, as would be the result, according to the figures I have given, of the appropriation now contemplated.

Mr. President, perhaps I should apologize for what I have said. I have only been a Member of the Senate for a short time, and my term will expire within the next two weeks. I simply have spoken to the Senate as a plain business man, giving, in a very rough way, my idea of the situation confronting us. I have not done so in a picturesque manner, but at this time we are really not considering or thinking about a beautiful picture.

The VICE PRESIDENT. The hour of 4.30 o'clock having arrived, the question is on the amendment of the Senator from Arizona [Mr. ASHURST] to the amendment in the nature of a substitute, which will be stated.

The LEGISLATIVE CLERK. On page 3 of the substitute amendment, line 22, after the word "transients," it is proposed to insert the words "who are American citizens," so that, if amended, it will read:

SEC. 2 (a). The Reconstruction Finance Corporation is further authorized and empowered to make available out of funds of the corporation the sum of \$15,000,000, under the terms and conditions hereinafter set forth, to the several States and Territories, to be used in furnishing relief and work relief to unemployed and needy transients who are American citizens—

And so forth.

Mr. McNARY. Mr. President—

The VICE PRESIDENT. Debate is closed.

Mr. McNARY. I desire to suggest the absence of a quorum before the vote is taken. I rose for that purpose.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Byrnes	Dickinson	Hull
Austin	Capper	Dill	Johnson
Bailey	Caraway	Fess	Kean
Bankhead	Carey	Fletcher	Kendrick
Barbour	Clark	Frazier	King
Barkley	Connally	George	La Follette
Bingham	Coolidge	Glass	Logan
Black	Copeland	Goldsbrough	Long
Borah	Costigan	Gore	McGill
Bratton	Couzens	Grammer	McKellar
Brookhart	Cutting	Harrison	McNary
Bulkeley	Dale	Hayden	Metcalf
Bulow	Davis	Howell	Moses

Neely  
Norris  
Nye  
Oddie  
Patterson  
Pittman  
Reed  
Reynolds

Robinson, Ark.  
Robinson, Ind.  
Russell  
Schuyler  
Sheppard  
Shipstead  
Shortridge  
Smith

Smoot  
Steiwer  
Stephens  
Swanson  
Thomas, Idaho  
Thomas, Okla.  
Townsend  
Trammell

Tydings  
Vandenberg  
Wagner  
Walcott  
Walsh, Mass.  
Walsh, Mont.  
White

Mr. LA FOLLETTE. I desire to announce that my colleague [Mr. BLAINE] is unavoidably absent because of illness in his family.

Mr. WHITE. I wish to announce that my colleague the senior Senator from Maine [Mr. HALE] is necessarily absent from the Chamber and from the city because of a death in his family.

Mr. SHEPPARD. I desire to announce that the Senator from Illinois [Mr. LEWIS] is necessarily detained on official business, and that the Senator from Montana [Mr. WHEELER] is detained on account of illness.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present. The question is on the amendment of the Senator from Arizona [Mr. ASHURST] to the amendment, in the nature of a substitute, offered by the Senator from New York [Mr. WAGNER]. The amendment to the amendment will be stated.

The legislative clerk restated the amendment to the amendment.

Mr. ASHURST. I ask for the yeas and nays.

Mr. SMITH. May the amendment be stated before the vote is taken?

The VICE PRESIDENT. The amendment to the amendment will be stated again.

The legislative clerk restated the amendment to the amendment.

The VICE PRESIDENT. A demand is made for the yeas and nays. Is the demand seconded?

The yeas and nays were ordered.

Mr. WAGNER. Mr. President, I ask unanimous consent to say one word upon the amendment of the Senator from Arizona to the amendment.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. WAGNER. Mr. President, under the provisions of the bill which I have offered as an amendment in the nature of a substitute, each State has a right—

Mr. ASHURST. Mr. President, I do not wish to object; but if the Senator from New York is going to have a minute, then I want a minute.

Mr. MOSES. I will settle the matter, Mr. President, I object.

The VICE PRESIDENT. Objection is made. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BULOW (when his name was called). I am paired with the Senator from Rhode Island [Mr. HEBERT], and withhold my vote.

Mr. LOGAN (when his name was called). I have a general pair with the junior Senator from Pennsylvania [Mr. DAVIS], who is absent. I do not know how he would vote on this question, and therefore withhold my vote. If I were at liberty to vote, I should vote "nay."

Mr. MCGILL (when his name was called). On this question I am paired with the junior Senator from New Hampshire [Mr. KEYES]. Not knowing how he would vote, I withhold my vote.

Mr. SMITH (when his name was called). I have a general pair with the Senator from Indiana [Mr. WATSON]. Not knowing how he would vote, I withhold my vote.

The roll call was concluded.

Mr. LA FOLLETTE. Making the same announcement as before concerning the unavoidable absence of my colleague [Mr. BLAINE], I wish to state that he is paired with the junior Senator from Illinois [Mr. LEWIS], who is likewise absent. If my colleague were present, he would vote "nay" on this question.

Mr. THOMAS of Idaho (after having voted in the negative). Has the junior Senator from Montana [Mr. WHEELER] voted?



The VICE PRESIDENT. That Senator has not voted?

Mr. THOMAS of Idaho. I have a general pair with the junior Senator from Montana, and therefore withdraw my vote.

Mr. FESS. I desire to announce the following general pairs:

The Senator from Maryland [Mr. GOLDSBOROUGH] with the Senator from Louisiana [Mr. BROUSSARD];

The Senator from South Dakota [Mr. NORBECK] with the Senator from Virginia [Mr. SWANSON]; and

The Senator from Illinois [Mr. GLENN] with the Senator from Texas [Mr. CONNALLY].

Mr. SHEPPARD. I decide to announce that the Senator from Virginia [Mr. SWANSON] and the Senator from Illinois [Mr. LEWIS] are detained on official business, and that the Senator from Texas [Mr. CONNALLY] and the Senator from Montana [Mr. WHEELER] are absent because of illness.

The result was announced—yeas 21, nays 51, as follows:

## YEAS—21

Ashurst	Caraway	Hayden	Smoot
Bankhead	Carey	Moses	Thomas, Okla.
Bingham	Dale	Patterson	Trammell
Bratton	Dickinson	Russell	
Byrnes	Fess	Schuyler	
Capper	Fletcher	Sheppard	

## NAYS—51

Austin	Cutting	King	Robinson, Ark.
Bayley	Dill	La Follette	Robinson, Ind.
Barbour	Frazier	Long	Shipstead
Barkley	George	McKellar	Steiwer
Black	Glass	McNary	Stephens
Borah	Gore	Metcalf	Townsend
Brookhart	Grammer	Neely	Tydings
Bulkley	Harrison	Norris	Wagner
Clark	Howell	Nye	Walcott
Coolidge	Hull	Oddie	Walsh, Mass.
Copeland	Johnson	Pittman	Walsh, Mont.
Costigan	Kean	Reed	White
Couzens	Kendrick	Reynolds	

## NOT VOTING—24

Blaine	Goldsborough	Lewis	Smith
Broussard	Hale	Logan	Swanson
Bulow	Hastings	McGill	Thomas, Idaho
Connally	Hatfield	Norbeck	Vandenberg
Davis	Hebert	Schall	Watson
Glenn	Keyes	Shortridge	Wheeler

So Mr. ASHURST's amendment to the amendment of Mr. WAGNER, in the nature of a substitute, was rejected.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. DICKINSON] to the amendment, which will be reported.

The LEGISLATIVE CLERK. The Senator from Iowa proposes to strike out all of section 6, lines 15 to 25, inclusive, on page 3, all of page 4, and lines 1 to 3 on page 5.

Mr. DICKINSON. I ask for the yeas and nays.

The yeas and nays were not ordered.

The VICE PRESIDENT. The question now is on agreeing to the amendment to the amendment.

The amendment to the amendment was rejected.

The VICE PRESIDENT. The question now is on the amendment, in the nature of a substitute, offered by the junior Senator from New York [Mr. WAGNER].

Mr. KING. Mr. President, I desire to offer an amendment to the substitute of the Senator from New York.

Mr. LA FOLLETTE. A parliamentary inquiry. Are amendments in order, the time having passed when debate is permitted?

The VICE PRESIDENT. The Chair is of opinion that amendments are in order, but that no debate is in order. The Senator from Utah will submit his amendment.

Mr. KING. I move to strike out lines 11 and 12, page 6, of the amended substitute. I do not know how else to describe it. The language to be stricken out is as follows:

Subsection (a) of section 201 of such act is further amended by striking out "(other than by taxation)."

The VICE PRESIDENT. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was rejected.

Mr. COUZENS. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. COUZENS. Does the RECORD show that all the amendments that were made to the so-called Wagner sub-

stitute are now in the substitute upon which we are asked to vote?

The VICE PRESIDENT. The Chair is advised that the RECORD does so show.

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent that the amendment of the committee, as amended, together with the substitute, as amended, be printed in the RECORD preceding the roll call.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The Costigan-La Follette substitute for Senate bill 5125, as amended, was ordered to be printed in the RECORD, and it is as follows:

That it is hereby declared to be the policy of the Congress to cooperate more effectively with the several States and Territories and the District of Columbia in furnishing relief to their needy and distressed people and in relieving the hardship resulting from unemployment.

SEC. 2. (a) The Reconstruction Finance Corporation is authorized and directed to make available out of the funds of the corporation not to exceed \$500,000,000 for payments to the States for emergency relief expenditures and for other expenditures authorized under the provisions of this act, upon certification by the Federal emergency relief board created by section 3.

(b) To enable the Reconstruction Finance Corporation to obtain funds for the purposes of this act, the amount of notes, debentures, bonds, or other such obligations which the corporation is authorized and empowered under section 9 of the Reconstruction Finance Corporation act, as amended, to have outstanding at any one time is increased by \$500,000,000.

(c) Ten days after the date upon which a majority of the members of the Federal emergency relief board have qualified and have taken office, no application for funds shall be approved by the Reconstruction Finance Corporation under the provisions of Title I of the emergency relief and construction act of 1932, and the Federal emergency relief board shall have access to all files and records of the Reconstruction Finance Corporation relating to the administration of emergency relief under Title I of such act.

SEC. 3. (a) There is hereby created a Federal emergency relief board (referred to in this act as the "board"), which shall consist of three members to be appointed by the President, by and with the advice and consent of the Senate, two of whom shall be experienced in public welfare and relief administration. The board shall have full power of apportionment and allotment of funds under the provisions of this act. The President shall designate one of the members of the board as its chairman. The members of the board shall receive no compensation for their services, except that they shall be paid a per diem compensation of \$25 for time devoted to the work of the board, and necessary traveling and subsistence expenses, within the limitations prescribed by law for civilian employees in the executive branch of the Government. The board shall cease to exist upon the expiration of two years after the date of the enactment of this act.

(b) The board—

(1) Shall make such rules and regulations as may be necessary to execute the functions vested in it by this act; and

(2) Shall print monthly for public distribution and shall submit to the President and to the Senate and the House of Representatives (or to the Secretary of the Senate and the Clerk of the House of Representatives, if those bodies are not in session) a report of its activities and expenditures. Such reports shall, when submitted, be printed as public documents.

(c) The board may appoint and fix the compensation of an executive officer and such experts and, subject to the provisions of the civil service laws, appoint, and, in accordance with the classification act of 1923, as amended, fix the compensation of such other officers and employees as are necessary to carry out the provisions of this act; and may make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere and for printing and binding), not to exceed \$350,000, as are necessary to carry out the provisions of this act. All expenses of the board shall be paid out of the amount made available for that purpose by section 4 (b).

(d) The board may appoint advisory committees to advise and confer with it with respect to the administration of this act. No salary shall be paid to committee members, but when attending meetings of the board they shall be allowed necessary traveling and subsistence expenses, or per diem allowance in lieu thereof, within the limitations prescribed by law for civilian employees in the executive branch of the Government.

SEC. 4. (a) Forty per cent of the amount made available under section 2 (a) of this act shall be apportioned among the States on the basis of population according to the Fifteenth Decennial Census. Payments made in any year out of the amount apportioned to any State on the basis of population shall not be in excess of two-thirds of the amounts appropriated or otherwise made available for such year by the State (or, in the case of the District of Columbia, appropriated by the Congress for use therein), by the civil subdivisions thereof and/or by private contributions from within the State for emergency relief as defined in section 11 of this act.

(b) The balance of the amount made available under section 2 (a) of this act shall be set aside as a reserve fund for emergency



allotments as provided in section 8; except that not to exceed \$350,000 of such balance may be used for administrative expenses of the board under this act which shall be paid by the Reconstruction Finance Corporation upon presentation of vouchers approved by the Federal emergency relief board.

(c) The amounts apportioned or allotted to any State under this act shall be available for payment to and expenditure by such State, for the purposes of this act, until the expiration of two years after the date of enactment of this act; except that at the expiration of the fiscal year 1933, if the amount certified prior to the expiration of such year for payment to any State out of amounts apportioned on the basis of population under this act is less than one-half of the total amount apportioned to that State on the basis of population, the difference between the amount so certified and one-half of the total amount apportioned shall be added to the reserve fund provided for in subsection (b) of this section and shall be available for allotment to the several States on the basis of need.

Sec. 5. (a) In order to obtain payments out of the amount made available under section 2 (a) of this act a State, through its governor, shall designate or create an agency to cooperate with the board.

(b) Relief shall be administered within each State under rules and regulations adopted by the State agency.

Sec. 6. Any State desiring to obtain funds under this act shall, by the agency designated or created to cooperate with the board, make application therefor from time to time and submit at such times and for such periods as may be prescribed by the board plans for carrying out the provisions of this act within such State. The plans shall include (1) information as to the amounts actually expended for emergency relief by public and private agencies in the State for such periods as the board may prescribe; (2) estimates of the amounts appropriated or otherwise available for emergency relief needs within the State for the period covered by such plan or plans; (3) estimates of amounts necessary to meet the emergency relief needs in the State in the calendar year 1933, and, upon call of the board, in the calendar year 1934; (4) provision for adequate administrative personnel; and (5) provision for securing the benefits contemplated by this act to persons within the State, irrespective of the period of residence within the State. When the board determines that such plans are in conformity with the provisions of this act and reasonably appropriate and adequate to carry out its purposes, they shall be approved by the board, and due notice of such approval shall be given to the State agency.

Sec. 7. Within 10 days after the date upon which a majority of the members of the board have qualified and have taken office, the board shall make the apportionment on the basis of population provided in section 4 (a). After application by any State and approval of its plans as provided in section 6 of this act, the board shall immediately certify to the Reconstruction Finance Corporation the amount to be paid to such State.

Sec. 8. (a) Whenever, from an application presented by a State agency and verified by the board, the board finds that the combined moneys available within the State from all sources, supplemented by any moneys to be paid to the State under section 4 (a), will fall below the estimated needs for emergency relief in any State, the State shall be eligible for an emergency allotment on the basis of need from the reserve fund provided in section 4 (b); but no such allotment shall be made to any State unless the board is satisfied that the State or its political subdivisions have made reasonable efforts within their resources to provide for emergency relief expenditures. The board shall, from time to time, certify the amounts to be paid under this subsection.

(b) The board is authorized to allot to the States not to exceed \$15,000,000 out of the reserve fund, to be used in furnishing relief and in maintaining work and training programs for persons who have no legal claim on the State or the local community for such assistance.

(c) Any State desiring to receive funds under subsection (b) of this section shall submit to the board through its designated relief agency an application which shall set forth, in the manner prescribed by the board, the extent of the need for service to transients, and a detailed plan for administering relief, and for work and training programs, for transients. In considering such application the board shall determine whether sufficient need has been demonstrated, and whether the plans submitted will, if put into effect, actually relieve distress among transients, assist in their rehabilitation, and tend to decrease the transient problem. If the board finds that need has been demonstrated and approves the plan, it shall certify to the Reconstruction Finance Corporation the sum or sums which it approves for payment to the State. For the purpose of this section a transient is a person within the borders of a State who has no legal residence within that State.

Sec. 9. The Reconstruction Finance Corporation shall make payments without delay to the several States in such amounts and at such times as the Federal Emergency Relief Board may certify under sections 7 and 8 of this act, but no payment shall be made pursuant to certificate which has been revoked by the board as provided in section 10.

Sec. 10. Each State agency cooperating with the board under the provisions of this act shall make such reports concerning its operations and expenditures as shall be prescribed or requested by the board. The board may revoke any existing certificate or withhold any further certificate under this act whenever it shall determine, as to any State, that the State agency has not properly expended or supervised the expenditure of moneys paid to it in accordance with the plans approved under this act. Before any such certi-

cate shall be revoked or withheld from any State the board shall give notice in writing to the State agency stating specifically wherein the State has failed to comply with such plans.

Sec. 11. The term "emergency relief," when used in this act, means relief in the form of money or commodities or services furnished by the State or its civil subdivisions or by private contributions from within the State to persons in their abode or habitation, or for the transient and homeless, or in the form of wages or other compensation for work furnished on the basis of need, but not including old-age pensions under special acts, or public aid under special acts to mothers for the care of dependent children, or relief to veterans under special acts. The decision of the board as to the purpose of any expenditure shall be final.

Sec. 12. This act shall be construed as intending to secure to the several States control of the administration of relief under this act within their respective territorial limits, subject only to the provisions and purposes of this act.

Sec. 13. The term "State," as used in this act, shall include the District of Columbia, Alaska, Hawaii, and Puerto Rico; and in the case of the District of Columbia the Commissioners of the District of Columbia shall designate the agency to cooperate with the board.

#### TITLE II—AMENDMENTS TO EMERGENCY RELIEF AND CONSTRUCTION ACT OF 1932

Sec. 21. Paragraph (1) of subsection (a) of section 201 of the emergency relief and construction act of 1932 is amended to read as follows:

"(1) to make loans to, or contracts with, States, municipalities, and political subdivisions of States, public agencies of States, of municipalities, and of political subdivisions of States, public corporations, boards and commissions, and public municipal instrumentalities of one or more States, to aid in financing the construction, reconstruction, replacement, extension, or improvement of projects authorized under Federal, State, or municipal law which, in the opinion of the corporation, are needful and in the public interest, such loans or contracts to be made through the purchase of their securities, or otherwise, and for such purpose the Reconstruction Finance Corporation is authorized to bid for such securities: *Provided*, That nothing herein contained shall be construed to prohibit the Reconstruction Finance Corporation, in carrying out the provisions of this paragraph, from purchasing securities having a maturity of more than 10 years."

Sec. —. Paragraph (2) of subsection (a) of section 201 of such act is amended by inserting immediately before the semicolon a comma and the following:

"and to make loans to finance the construction of housing projects for families of officers of the United States Army, Navy, and Marine Corps, which are self-liquidating in character."

Sec. 22. Paragraph (3) of subsection (a) of section 201 of such act is amended to read as follows:

"(3) to make loans to private corporations to aid in carrying out the construction, replacement, or improvement of bridges, tunnels, docks, viaducts, waterworks, canals, urban water systems, irrigation systems, and markets (including markets for the purpose of buying, selling, warehousing, or storing of agricultural commodities and livestock) devoted to public use and which are self-liquidating in character."

Sec. —. Nothing in subsection (a) of section 201, of the emergency relief and construction act of 1932, shall be held to render ineligible to purchase by the Reconstruction Finance Corporation debentures issued by any State or commission or other agency thereof secured by the pledge of receipts from taxes or other impositions upon or derived from the sale of gasoline, the avails of the sale of such debentures to be devoted exclusively to the improvement of the highways of such State."

Sec. 23. Subsection (a) of section 201 of such act is further amended by striking out "(other than by taxation)."

Sec. 24. Subsections (c) and (d) of section 201 of such act are amended to read as follows:

"(c) In order that the surpluses of agricultural commodities and livestock (including products manufactured directly therefrom) may not have a depressing effect upon current prices of such commodities and products, the corporation is authorized and directed to make loans, in such amounts as may in its judgment be necessary, for the purpose of financing sales of such surpluses in the markets of foreign countries in which such sales can not be financed in the normal course of commerce; but no such sales shall be financed by the corporation if, in its judgment, such sales will affect adversely the world markets for such commodities and products: *Provided, however*, That no such loan shall be made to finance the sale in the markets of foreign countries of cotton owned by the Federal Farm Board or the Cotton Stabilization Corporation.

"(d) The Reconstruction Finance Corporation is authorized and empowered to make loans if adequately secured to bona fide institutions, organized under the laws of any State or of the United States and having resources adequate for their undertakings, for the purpose of enabling them to finance the carrying and orderly marketing of agricultural commodities and livestock produced in the United States, and the products manufactured directly therefrom."

Sec. 25. Subsection (f) of section 201 of such act is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following: "but in determining the adequacy of security offered by a borrower applying under subsection (a) of this section the board may, in its discretion, accept as adequate security under this section, a lien on, or other



satisfactory assurances of the application of, so much of the revenues from the project as may be required to meet interest payments during the period of the loan and assure refunding within a reasonable period: *Provided further*, That each loan made under paragraphs (1) to (5) of subsection (a) of this section after this subsection, as amended, takes effect, shall bear interest at a rate not exceeding 1 per cent more than the rate of interest established for the last issue of bonds of the United States preceding the making of such loan.

Sec. 26. The second proviso of subsection (g) of section 201 of such act is amended by striking out "(1) or (5)" and inserting in lieu thereof "(1), (2), or (5)."

Sec. 27. Subsection (h) of section 201 of such act is hereby amended to read as follows:

"(h) The corporation may make loans under this section at any time prior to January 23, 1934: *Provided*, That nothing herein shall prevent the corporation from issuing funds to a borrower prior to January 23, 1939, under the terms of any agreement with the borrower made prior to January 23, 1934."

Sec. 28. Section 201 of such act is further amended by adding at the end thereof the following new subsection:

"(k) The Reconstruction Finance Corporation is authorized to make available out of the funds of the corporation a sum not exceeding \$5,000,000, which may be used by the corporation for the purpose of enabling and assisting established credit insurance organizations in the United States to provide export credit guaranties upon such terms and conditions as may be agreed upon between the corporation and such credit insurance organizations."

Sec. 29. Paragraph (1) of subsection (a) of section 301 of such act is amended by striking out "July 1, 1933" and inserting in lieu thereof "January 1, 1934."

At the proper place insert the following:

Sec. —. Section 5 of the Reconstruction Finance Corporation act, as amended, is amended by adding at the end thereof the following new paragraph:

"The Reconstruction Finance Corporation is further authorized and empowered to make loans to any fund created by any State for the purpose of insuring the repayment of deposits of public moneys of such State or any of its political subdivisions in banks or depositories qualified under the law of such State to receive such deposits. Such loans may be made at any time prior to January 23, 1934, and upon such terms and conditions as the corporation may prescribe; except that any fund which receives a loan under this paragraph shall be required to assign to the corporation, to the extent of such loan, all amounts which may be received by such fund as dividends or otherwise from the liquidation of any such bank or depository in which deposits of such public moneys were made. As used in this paragraph, the term 'State' includes the several States, and Alaska, Hawaii, and Puerto Rico."

Amend the title so as to read: "A bill to provide for cooperation by the Federal Government with the several States and Territories and the District of Columbia in relieving the hardship and suffering caused by unemployment, to amend the emergency relief and construction act of 1932, and for other purposes."

The Wagner substitute to Senate bill 5125, as amended and passed, is as follows:

*Be it enacted, etc.*, That subsection (a) of section 1 of the emergency relief and construction act of 1932 is hereby amended by striking out "\$300,000,000" wherever it appears and inserting in lieu thereof "\$600,000,000."

Sec. 2. (a) The first sentence of subsection (b) of section 1 of such act is amended by inserting before the words "Puerto Rico" the words "the District of Columbia."

(b) The last sentence of subsection (b) of section 1 of such act is amended to read as follows: "before any amount is paid under this section to the Commissioners of the District of Columbia, or to the Governor of Puerto Rico or of the Territory of Alaska, the District of Columbia, Puerto Rico, or the Territory of Alaska shall enter into an agreement with the corporation for the repayment of such amount with interest thereon as herein provided, in such installments and upon such terms and conditions as may be agreed upon."

Sec. 3. (a) The first sentence of subsection (c) of section 1 of such act is amended to read as follows:

"The governor of any State or Territory may from time to time make application for funds under this section, and in each application so made shall certify the necessity for such funds to supplement the relief resources of the State or Territory, the steps taken by the State or Territory, its political subdivisions, and private agencies, to meet the relief needs of the State or Territory, and the purposes for which the funds requested upon this section will be used."

(b) Subsection (c) of section 1 of such act is further amended by adding at the end thereof the following new sentence: "No part of the amounts paid to the governor of a State or Territory under this section shall be used for the payment of administrative expenses incurred in furnishing relief and work relief under this section except upon the approval of the Reconstruction Finance Corporation, and all such expenditures shall be reported to the corporation as often as required by it: *Provided*, That this act shall be construed to permit the governor of a State to use, under

supervision of the State highway department, such loan in the improvement of highways as a part of his work-relief plan."

Sec. 4. Subsection (f) of section 1 of such act is amended to read as follows:

"(f) As used in this section the term 'Territory' means Alaska, Hawaii, Puerto Rico, and the District of Columbia; and the term 'governor' shall include the Commissioners of the District of Columbia."

Sec. 5. Section 1 of such act is further amended by adding at the end thereof the following new subsection:

"(g) For the purposes of this act, the provisions of section 13 of the act entitled 'An act providing a permanent form of government for the District of Columbia,' approved June 11, 1878 (D. C. Code, title 20, ch. 4, sec. 622) (relating to increasing the indebtedness of the District of Columbia), are hereby declared inoperative."

Sec. 6. Such act is further amended by adding after section 1 thereof the following new section:

"Sec. 2. (a) The Reconstruction Finance Corporation is further authorized and empowered to make available out of funds of the corporation the sum of \$15,000,000, under the terms and conditions hereinafter set forth, to the several States and Territories, to be used in furnishing relief and work relief to unemployed and needy transients, and to aid in their rehabilitation in training and work camps, or otherwise. Such sum shall be available for payment to the several States and Territories for the purposes of this section, upon application therefor by them through their governors (or, in the case of the District of Columbia, through the Commissioners of the District of Columbia) or such public relief agencies as the legislatures thereof (or, in the case of the District of Columbia, the Congress) may designate, and upon approval of such application as hereinafter provided.

"(b) Any State or Territory which desires to receive funds under this section shall set forth in its application the need for such funds, the plan by which it proposes to administer such funds for the relief and rehabilitation of transients, and such other information with respect to its transient problems as the corporation may by regulation prescribe. Upon approval by the corporation of any such application, in whole or in part, it shall make an estimate of the amount needed by the applicant for the purposes of this section for a reasonable period in advance. The amount so estimated shall be immediately paid by the corporation to the proper State or Territorial officials. Each amount so paid shall be considered as an outright grant to the State or Territory receiving the same, but the officials of the State or Territory who administer the amounts received under this section shall file with the corporation a statement of the disbursements made by them for the purposes of this section.

"(c) As used in this section the term 'Territory' means Alaska, Hawaii, Puerto Rico, and the District of Columbia."

Sec. 7. Paragraph (1) of subsection (a) of section 201 of such act is amended to read as follows:

"(1) To make loans to, or contracts with, States, municipalities, and political subdivisions of States, public agencies of States, of municipalities, and of political subdivisions of States, public corporations, boards and commissions, and public municipal instrumentalities of one or more States, to aid in financing the construction, reconstruction, replacement, extension, or improvement of projects authorized under Federal, State, or municipal law which, in the opinion of the corporation, are needful and in the public interest, such loans or contracts to be made through the purchase of their securities, or otherwise, and for such purpose the Reconstruction Finance Corporation is authorized to bid for such securities: *Provided*, That nothing herein contained shall be construed to prohibit the Reconstruction Finance Corporation in carrying out the provisions of this paragraph, from purchasing securities having a maturity of more than 10 years."

Sec. 8. Paragraph (2) of subsection (a) of section 201 of the emergency relief and construction act of 1932 is amended by inserting immediately before the semicolon a comma and the following: "and to make loans to finance the construction of housing projects for families of officers of the United States Army, Navy, and Marine Corps, which are self-liquidating in character."

Sec. 9. Paragraph (3) of subsection (a) of section 201 of such act is amended to read as follows:

"(3) To make loans to private corporations to aid in carrying out the construction, replacement, or improvement of bridges, tunnels, docks, viaducts, waterworks, canals, urban water systems, irrigation systems, and markets (including markets for the purpose of buying, selling, warehousing, or storing of agricultural commodities and livestock), devoted to public use and which are self-liquidating in character."

Sec. 10. Nothing in subsection (a) of section 201 of the emergency relief and construction act of 1932 shall be held to render ineligible to purchase by the Reconstruction Finance Corporation debentures issued by any State or commission or other agency thereof secured by the pledge of receipts from taxes or other impositions upon or derived from the sale of gasoline, the avails of the sale of such debentures to be devoted exclusively to the improvement of the highways of such State.

Sec. 11. Subsection (a) of section 201 of such act is further amended by striking out "(other than by taxation)."

Sec. 12. Subsections (c) and (d) of section 201 of such act are amended to read as follows:

"(c) In order that the surpluses of agricultural commodities and livestock (including products manufactured directly therefrom) may not have a depressing effect upon current prices of such commodities and products, the corporation is authorized



and directed to make loans, in such amounts as may in its judgment be necessary, for the purpose of financing sales of such surpluses in the markets of foreign countries in which such sales can not be financed in the normal course of commerce; but no such sales shall be financed by the corporation if, in its judgment, such sales will affect adversely the world markets for such commodities and products: *Provided, however*, That no such loan shall be made to finance the sale in the markets of foreign countries of cotton owned by the Federal Farm Board or the Cotton Stabilization Corporation.

"(d) The Reconstruction Finance Corporation is authorized and empowered to make loans, if adequately secured, to bona fide institutions, organized under the laws of any State or of the United States and having resources adequate for their undertakings, for the purpose of enabling them to finance the carrying and orderly marketing of agricultural commodities and livestock produced in the United States and the products manufactured directly therefrom."

Sec. 13. Subsection (f) of section 201 of such act is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following: "but in determining the adequacy of security offered by a borrower applying under subsection (a) of this section the board may, in its discretion, accept as adequate security under this section, a lien on, or other satisfactory assurances of the application of, so much of the revenues from the project as may be required to meet interest payments during the period of the loan and assure refunding within a reasonable period: *Provided further*, That each loan made under paragraphs (1) to (5) of subsection (a) of this section after this subsection, as amended, takes effect, shall bear interest at a rate not exceeding 1 per cent more than the rate of interest established for the last issue of bonds of the United States preceding the making of such loan."

Sec. 14. The second proviso of subsection (g) of section 201 of such act is amended by striking out "(1) or (5)" and inserting in lieu thereof "(1), (2), or (5)."

Sec. 15. Subsection (h) of section 201 of such act is hereby amended to read as follows:

"(h) The corporation may make loans under this section at any time prior to January 23, 1934: *Provided*, That nothing herein shall prevent the corporation from issuing funds to a borrower prior to January 23, 1939, under the terms of any agreement with the borrower made prior to January 23, 1934."

Sec. 16. Paragraph (1) of subsection (a) of section 301 of such act is amended by striking out "July 1, 1933" and inserting in lieu thereof "January 1, 1934."

Sec. 17. Section 5 of the Reconstruction Finance Corporation act, as amended, is amended by adding at the end thereof the following new paragraph:

"The Reconstruction Finance Corporation is further authorized and empowered to make loans to any fund created by any State for the purpose of insuring the repayment of deposits of public moneys of such State or any of its political subdivisions in banks or depositories qualified under the law of such State to receive such deposits. Such loans may be made at any time prior to January 23, 1934, and upon such terms and conditions as the corporation may prescribe; except that any fund which receives a loan under this paragraph shall be required to assign to the corporation, to the extent of such loan, all amounts which may be received by such fund as dividends or otherwise from the liquidation of any such bank or depository in which deposits of such public moneys were made. As used in this paragraph, the term 'States' includes the several States and Alaska, Hawaii, and Puerto Rico."

The VICE PRESIDENT. The question is on agreeing to the substitute offered by the Senator from New York [Mr. WAGNER] as amended and as it will appear in the RECORD preceding the vote upon it.

Mr. LA FOLLETTE. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. LA FOLLETTE (when Mr. BLAINE's name was called). Making the same announcement as before concerning the absence of my colleague, and the fact that he is paired with the junior Senator from Illinois [Mr. LEWIS], I wish to announce that if my colleague were present he would vote "nay," and I understand that if the junior Senator from Illinois [Mr. LEWIS] were present he would vote "yea."

Mr. BULOW (when his name was called). I have a pair with the senior Senator from Rhode Island [Mr. HEBERT]. In his absence I withhold my vote. If the Senator from Rhode Island were present, he would vote "yea." If I were permitted to vote, I would vote "nay."

Mr. LOGAN (when his name was called). I have a general pair with the junior Senator from Pennsylvania [Mr. DAVIS], who is absent. I do not know how that Senator would vote, and I therefore withhold my vote.

Mr. MCGILL (when his name was called). I have a pair on this vote with the junior Senator from New Hampshire

[Mr. KEYES], who is absent. If he were present, I understand he would vote "yea." If I were permitted to vote, I would vote "nay."

Mr. SMITH (when his name was called). Again announcing my pair with the senior Senator from Indiana [Mr. WATSON], not knowing how he would vote, I withhold my vote.

Mr. THOMAS of Idaho (when his name was called). On this vote I have a pair with the senior Senator from Maine [Mr. HALE]. If the Senator from Maine were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay."

The roll call was concluded.

Mr. FESS. I desire to announce a special pair on this question between the Senator from West Virginia [Mr. HATFIELD] and the Senator from Montana [Mr. WHEELER]. If the Senator from West Virginia [Mr. HATFIELD] were present, he would vote "yea," and if the Senator from Montana [Mr. WHEELER] were present he would vote "nay."

I also desire to announce the following general pairs:

The Senator from Illinois [Mr. GLENN] with the Senator from Texas [Mr. CONNALLY];

The Senator from Maryland [Mr. GOLDSBOROUGH] with the Senator from Louisiana [Mr. BROUSSARD]; and

The Senator from South Dakota [Mr. NORBECK] with the Senator from Virginia [Mr. SWANSON].

Mr. SHIPSTEAD. I wish to announce the unavoidable absence of my colleague [Mr. SCHALL]. On this question he is paired with the Senator from Delaware [Mr. HASTINGS]. If my colleague were present, he would vote "nay" on this question, and I am informed that if the Senator from Delaware [Mr. HASTINGS] were present he would vote "yea."

Mr. SHEPPARD. I desire to announce the necessary absence of the Senator from Virginia [Mr. SWANSON] and the Senator from Illinois [Mr. LEWIS]. If present, these Senators would vote "yea."

Mr. WALSH of Montana. My colleague [Mr. WHEELER] is absent this afternoon on account of illness. If he were present, he would vote "nay."

The result was announced—yeas 44, nays 28, as follows:

#### YEAS—44

Ashurst	Dickinson	King	Smoot
Barbour	Fess	Long	Steiwer
Bingham	Fletcher	McKellar	Stephens
Black	George	McNary	Townsend
Bratton	Glass	Metcalf	Tydings
Bulkeley	Gore	Moses	Vandenberg
Byrnes	Harrison	Oddie	Wagner
Carey	Hayden	Pittman	Walcott
Coolidge	Hull	Reed	Walsh, Mass.
Copeland	Kean	Robinson, Ark.	Walsh, Mont.
Dale	Kendrick	Russell	White

#### NAYS—28

Austin	Caraway	Grammer	Patterson
Bailey	Clark	Howell	Reynolds
Bankhead	Costigan	Johnson	Robinson, Ind.
Barkley	Couzens	La Follette	Sheppard
Borah	Cutting	Neely	Shipstead
Brookhart	Dill	Norris	Thomas, Okla.
Capper	Frazier	Nye	Trammell

#### NOT VOTING—24

Blaine	Goldsborough	Lewis	Shortridge
Broussard	Hale	Logan	Smith
Bulow	Hastings	McGill	Swanson
Connally	Hatfield	Norbeck	Thomas, Idaho
Davis	Hebert	Schall	Watson
Glenn	Keyes	Schuyler	Wheeler

So Mr. WAGNER's amendment in the nature of a substitute as amended was agreed to.

The VICE PRESIDENT. The question now is on agreeing to the committee amendment as amended.

Mr. LA FOLLETTE. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. LA FOLLETTE (when Mr. BLAINE's name was called). Making the same announcement concerning the absence of my colleague [Mr. BLAINE] and his pair, I wish to state that, if present, on this vote he would vote "yea."

Mr. KING (when his name was called). I have a general pair with the junior Senator from California [Mr. SHORTRIDGE]. I withhold my vote.



Mr. MCGILL (when his name was called). On this vote I am paired with the junior Senator from New Hampshire [Mr. KEYES]. If he were present, I understand he would vote as I intend to vote, and therefore I am at liberty to vote. I vote "yea."

Mr. SMITH (when his name was called). Making the same announcement as before with reference to my pair, I withhold my vote.

Mr. THOMAS of Idaho (when his name was called). I have a general pair with the junior Senator from Montana [Mr. WHEELER]. Not knowing how he would vote, I withhold my vote. If permitted to vote, I would vote "nay."

The roll call was concluded.

Mr. DAVIS (after having voted in the affirmative). Has the junior Senator from Kentucky [Mr. LOGAN] voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. DAVIS. I have a pair with that Senator, and therefore withdraw my vote.

Mr. WALSH of Montana. My colleague the junior Senator from Montana [Mr. WHEELER] is absent on account of illness. Were he present, he would vote "yea."

Mr. FESS. I was requested to announce that the Senator from New Hampshire [Mr. KEYES], the Senator from Maine [Mr. HALE], and the Senator from West Virginia [Mr. HARTFIELD] are necessarily absent, and that if present they would vote "yea."

I also wish to announce the following general pairs:

The Senator from Maryland [Mr. GOLDSBOROUGH] with the Senator from Louisiana [Mr. BROUSSARD];

The Senator from Illinois [Mr. GLENN] with the Senator from Texas [Mr. CONNALLY]; and

The Senator from South Dakota [Mr. NORBECK] with the Senator from Virginia [Mr. SWANSON].

I also desire to announce the special pair of the Senator from Delaware [Mr. HASTINGS] with the Senator from Minnesota [Mr. SCHALL]. If present, the Senator from Delaware [Mr. HASTINGS] would vote "nay," and the Senator from Minnesota [Mr. SCHALL] would vote "yea."

Mr. SHEPPARD. I desire to announce the necessary absence of the Senator from Virginia [Mr. SWANSON] and the Senator from Illinois [Mr. LEWIS]. If present, these Senators would vote "yea."

The result was announced—yeas 54, nays 16, as follows:

#### YEAS—54

Ashurst	Couzens	Kendrick	Robinson, Ind.
Bankhead	Cutting	La Follette	Sheppard
Barkley	Dale	Long	Smoot
Black	Dickinson	McGill	Stelwer
Bratton	Dill	McKellar	Thomas, Okla.
Brookhart	Fess	McNary	Trammell
Bulkeley	Fletcher	Neely	Tydings
Byrnes	Frazier	Norris	Vandenberg
Capper	George	Nye	Wagner
Caraway	Harrison	Oddie	Walsh, Mass.
Carey	Hayden	Pittman	Walsh, Mont.
Clark	Howell	Reed	White
Copeland	Hull	Reynolds	
Costigan	Johnson	Robinson, Ark.	

#### NAYS—16

Austin	Borah	Grammer	Patterson
Bailey	Coolidge	Kean	Russell
Barbour	Glass	Metcalf	Townsend
Bingham	Gore	Moses	Walcott

#### NOT VOTING—26

Blaine	Hale	Logan	Stephens
Broussard	Hastings	Norbeck	Swanson
Bulow	Hatfield	Schall	Thomas, Idaho
Connally	Hebert	Schuyler	Watson
Davis	Keyes	Shipstead	Wheeler
Glenn	King	Shortridge	
Goldsborough	Lewis	Smith	

So the amendment of the committee in the nature of a substitute as amended by the substitute proposed by Mr. WAGNER as amended was agreed to.

The VICE PRESIDENT. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and to be read a third time.

The bill was read the third time.

The VICE PRESIDENT. The question is, Shall the bill pass?

The bill was passed.

The title was amended so as to read: "A bill to amend the emergency relief and construction act of 1932."

#### THE TRANSIENT CAMP

Mr. FLETCHER. Mr. President, a very important contribution toward the solution of the problem we have been discussing to-day has been made at Jacksonville, Fla., by the establishment and successful operation of a transients' camp there. The matter is disclosed in the statement I submit and ask to have printed in the RECORD.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

#### THE TRANSIENT CAMP—AN EXPERIMENT IN SOCIAL RECONSTRUCTION

One phase of the problem facing the country as a result of the present economic conditions is that relating to the relief of the thousands of men who are wandering from place to place looking for work.

The extent of the problem is not accurately known, estimates of the number of these wanderers varying from 250,000 to 2,000,000 or more. That it is a problem can not be denied, and it concerns largely thousands of self-respecting men who have hitherto been able to support themselves and their families in comfort, but who now find themselves without work, often without a home, which they may have lost through foreclosure or tax sales, and who are traveling the country over in hopes of obtaining the means of bare subsistence. The professional hoboes, of course, are present in this throng, but their problem is different, and perhaps insoluble. It is the artisan, the former clerk, or small storekeeper whose present situation appeals to our sympathy and calls for a constructive program of relief and rehabilitation.

An attempt has been made to supply such a program in Jacksonville through the establishment of a camp for transients. The Florida National Guard placed at the disposal of the relief committee the barracks and other facilities at Camp Foster, situated about 10 miles from the city, and in consideration of such use it was agreed that the men housed in the camp would be employed in making improvements on the camp reservation, which consists of 1,000 acres. The cooperation of the mayor and the city police department was enthusiastically proffered, so that after the camp was established a man on pass from the camp was not molested, but those without passes were advised to go to the camp or run the risk of being considered vagrants and subject to arrest.

Funds were provided by the Reconstruction Finance Corporation, and two former service men who were without jobs were employed to operate the camp. Cots and blankets were obtained from the Army. Arrangements were made with the Salvation Army to have men gather at their building and at 9 o'clock every night trucks were sent to get these men and carry them to the camp.

From the beginning it was decided to eliminate red tape, but since this was to be a work camp, men whose physical condition or age precluded them from doing any kind of work were not admitted. A certain number of elderly men were given clerical or other work suited to their age, but since such positions are limited, only a small number were allowed to enter.

No time limit is placed on the length of stay. On admission, however, the applicant is told that he will be expected to remain at least one week, but he may stay indefinitely as long as he behaves himself. The rules are simple and are largely made and enforced by the men themselves. The possession or use of liquor is prohibited. Orderly conduct is required at all times. Seven hours is given to work daily except Sunday, and Saturday afternoon is a holiday. The camp is operated on a semimilitary plan, order and discipline being enforced by sergeants selected by the camp commander from the ex-service men who applied for admission. The cooking is done by former Army cooks, the store-room is in charge of a former groceryman, the camp dispensary in charge of a former Army Hospital Corps man who has had in addition three years in a medical school. Each man is allowed the use of two blankets, a towel, and a pair of overalls, the latter obtained from the Red Cross. They are served a balanced Army ration of three meals a day and are paid 5 cents a day.

On admission each man is questioned separately. His name, his age, his home address, if any, and his occupation are entered on a card and he is told what is expected of him and that the camp is his camp and that he must do his part to keep it the kind of a place he would like to live in. He is then sent to take a hot shower bath, at which time a physical examination is made of his person and his clothes. The latter, if vermin infested, are disinfected and the man assigned to the receiving barracks, where he remains until danger of contamination is passed.

The camp population has grown from 18 on December 16, the opening day, to 418 on February 13, when this is written. During that time 392 men have passed through the camp, many leaving voluntarily, others being dismissed for various reasons. Among this group, coming from all parts of the United States, there have been clerks, cooks, accountants, architects, engineers, machinists, electricians, plumbers, carpenters, auto mechanics, farmers, fishermen, telegraphers, railroad trainmen, prize fighters, sailors, tailors, barbers, common laborers, and a sprinkling of college graduates who find themselves at a loose end in a world that can not provide a living to a skilled artisan, much less to a man without a trade. They range in age from 15 to 70, and they all want a job. The loafer and the bad actor, both of whom

are in a very small minority, do not remain. Usually they leave voluntarily; sometimes the other men tell them to leave.

This story is called an experiment in social reconstruction. Let me explain that. In the first place, so far as possible, the men are given work in their own trade. The farmers have planted and are cultivating a truck farm which will furnish fresh vegetables to the camp mess. The barbers cut the men's hair. The shoemakers and tailors repair shoes and clothes. The electricians and linemen are replacing rotting poles with new poles cut on the reservation and are renovating the entire electrical equipment.

The automobile mechanics have repaired and put into operation many old trucks dating from war time and have made them available for use by the State military department. Since the camp is located on the St. Johns River, even the fishermen have found it possible to follow their vocation and have built themselves a boat from scrap lumber and are catching fish, which they keep in a live trap until enough are accumulated for a meal for 370 men. The prize fighters entertain their companions once a week with a boxing match, and the musicians have formed an orchestra. On Sunday afternoons religious services are held, attendance at which is not compulsory, but a very large majority of the camp population is present at these services. The older men give instruction to the youngsters, vocational training which fits them to become self-supporting when jobs again become available. Then, again, many of these men have been enabled to obtain work because they had a place where mail could reach them. Did you ever think what it would mean not to know where you would be to-morrow? These men might be picked up as vagrants and spend the night in jail, only to be turned loose the next day and told to move on, and have the process repeated the next day.

Then, again, I say it is an experiment in social reconstruction, because these men have shown a spirit of cooperation; yes, enthusiasm, of helpfulness to each other, of willingness to work for what they receive, that shows they have recovered their self-respect and have demonstrated a cheerfulness and hopefulness for the future that is astonishing under the circumstances.

Certain theorists have expressed the conviction that it would be harmful and demoralizing to have boys in association with older men in such a camp. Our experiences at Camp Foster is the contrary. The younger men and boys are getting vocational training from the older skilled workmen, and because discipline in this camp is largely self-imposed the influence of the older, settled men is distinctly beneficial. There is no guard-house at Camp Foster. There is no need for one. There has been no disorder, no infractions of the civil or criminal laws, not one single article loaned to the men has been lost or stolen during the three months the camp has been formed.

There are many problems connected with transients which Camp Foster does not even attempt to solve. The transient family, the aged, the physically disabled, still await some solution of their troubles. Perhaps the young boys might be better helped in other ways, but our experience indicates that the numbers of the latter in the army of the wanderers has been greatly exaggerated. But we do think we are doing something for the great numbers of fine, self-respecting American citizens whose present plight is caused solely by inability to find a job, and that while they are waiting for better times we are preserving their self-respect, their respect for constituted authority, and allowing to them an opportunity to demonstrate a spirit of cooperation and mutual consideration which is a heartening augury for the future.

#### MESSAGE FROM THE HOUSE—ENROLLED JOINT RESOLUTION SIGNED

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the Speaker had affixed his signature to the enrolled joint resolution (S. J. Res. 211) proposing an amendment to the Constitution of the United States, and it was signed by the Vice President.

#### PROMOTION OF ECONOMIC RECOVERY (H. DOC. NO. 560)

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was ordered to lie on the table and to be printed, and it was read, as follows:

#### *To the Senate and House of Representatives:*

There are certain measures looking to the promotion of economic recovery which have been under consideration by the Congress and are so advanced toward completion or understanding as to seem possible of enactment during the present session.

1. It is most necessary that the principles of the bankruptcy bill which has already been acted upon by the House should be passed by the Senate. The whole object of the bill is to secure orderly cooperation between creditors and debtors, whether farmers, individuals, general corporations, or railroads, for mutual adjustment which will preserve the integrity and continuous operation of business, save the values of good will and the continuation of people in their occupations, and thus avoid destruction of the interest of

both parties. This legislation is of the most critical importance in this period of readjustment. Incidentally, such a workable system is highly necessary in order to permit a certain minority of railroads to be so reorganized as to reduce fixed charges and thus relieve the Reconstruction Finance Corporation of drains in prevention of destructive receiverships.

2. The Great Lakes-St. Lawrence seaway treaty should be ratified. It not only will serve a great national purpose but is of importance now also to relieve unemployment by its construction.

3. The enactment by the House of the general principles embodied in the Glass banking bill, which has already passed the Senate, will greatly contribute to reestablish confidence. It is the first constructive step to remedy the prime weakness of our whole economic life—that is, organization of our credit system.

4. Authority should be given to the Reconstruction Finance Corporation to increase the amount of loans to States and municipalities for purposes of assistance to distress on the same terms as the present act. While the corporation has funds available which will last until July, it is desirable that they should be supplemented.

5. It seems clear that the domestic-allotment plan is wholly unworkable. It will do far greater harm than good to agriculture.

Pending the return of the great commercial countries to the gold standard and the consequent increase in world consumption, and thus rise in world prices, it is essential temporarily to reduce farm production so as to remove the back-breaking surpluses of agricultural products and thus to raise agricultural income. The plan proposed by the Secretary of Agriculture some time since for temporary leasing of marginal lands is the least harmful and the most hopeful of all the plans which have been proposed. It has the merit of direct action in reducing supply to demand and thus unquestionably increasing prices; it would affect all farm products; give equal benefits to all farmers; is free of increased bureaucracy; very much less costly; and could be covered by a manufacturers' excise tax of probably 1 per cent to 2 per cent upon these commodities. It would also largely eliminate the tax and interest problems which the Congress is seeking to solve at much greater cost.

6. I earnestly recommend repeal of the procedure of the House of Representatives in publishing loans made by the Reconstruction Finance Corporation. These transactions should be open to the fullest degree to the representatives of the Congress, but their publication in the last few months has led to widespread, mostly innocent misinterpretation, vicious in effect, by depositors and alarmists who do not recognize that such borrowings represent an endeavor of the institution to provide funds needed in service to their respective communities. This publication is destroying the usefulness and effectiveness of the Reconstruction Corporation, is exaggerating fears, and is introducing new elements of grave danger. It is drying up the very sources of credit. The effect of such publication is forcing payment by distressed debtors to replenish bank funds. It is causing the hoarding of currency.

7. While the Congress could not enact such a law during this session I recommend that it should institute an inquiry with view to the early expansion of the home loan discount banks into a general mortgage discount system to be owned cooperatively by banks and mortgage companies (with adequate encouragement of the special activities of building and loan associations) and thus to parallel in the field of long-time credit the service of the Federal reserve system for short-time credit. Such a system would relieve the Reconstruction Finance Corporation of many of its functions, would assist in the orderly readjustment of the present situation, and through private initiative would serve many purposes for which the Congress is striving through direct action by the Government.

8. Peace would be promoted and the killing of men checked in various parts of the world to-day, if the Execu-



tive had the authority to join with other nations in preventing the shipment of arms to such localities. I earnestly recommend that the legislation proposed for this purpose be enacted.

HERBERT HOOVER.

THE WHITE HOUSE, February 20, 1933.

#### AMENDMENT OF BANKRUPTCY ACT

Mr. ROBINSON of Arkansas. Mr. President, I move that the Senate proceed to the consideration of calendar 1310, House bill 14359, to amend the bankruptcy act.

Mr. McNARY. Mr. President, the Senator from Delaware [Mr. HASTINGS] is necessarily absent. It was his wish that the bill be made the unfinished business. I hope the motion will prevail.

The motion was agreed to; and the Senate proceeded to the consideration of the bill (H. R. 14359) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, which had been reported from the Committee on the Judiciary with an amendment.

Mr. ROBINSON of Arkansas. Mr. President, I understand the Senator from Utah [Mr. SMOOT] desires to call up the independent offices appropriation bill. Therefore I ask unanimous consent that the unfinished business be temporarily laid aside for that purpose.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

#### INDEPENDENT OFFICES APPROPRIATIONS

Mr. SMOOT. Mr. President, I now ask unanimous consent that the Senate proceed to the consideration of the independent offices appropriation bill.

The VICE PRESIDENT. Is there objection? The Chair hears none. The Chair lays before the Senate the following bill.

The CHIEF CLERK. A bill (H. R. 14458) making appropriations for the Executive office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1934, and for other purposes.

#### ADJOURNMENT

Mr. McNARY. Mr. President, I move that the Senate adjourn.

The motion was agreed to; and the Senate (at 5 o'clock and 13 minutes p. m.) adjourned until to-morrow, Tuesday, February 21, 1933, at 12 o'clock meridian.

## HOUSE OF REPRESENTATIVES

MONDAY, FEBRUARY 20, 1933

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou, who art love in its tenderest form, let go that precious consolation, "Thy sins are forgiven thee." Draw aside the veil and enable us to perceive the divine compassion and the all-sufficiency of Thy holy will. Speak in the whispers of that peace which comforts the heart of a child. Our citizens of every section, abide with them in great measures of material and spiritual blessings. Strengthen our fellowship, instruct us by Thy teachings, and become to us a light on our pathway. Thou God of all peoples and of all lands, set in motion divine influences that shall flow like ocean tides around the world until all shall be bathed in their floods and the knowledge of the Lord shall fill the earth as the waters cover the sea. Through Christ our Savior. Amen.

The Journal of the proceedings of Saturday, February 18, 1933, was read and approved.

#### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed a bill of the

following title, in which the concurrence of the House is requested:

S. 5122. An act to provide for the purchase and sale of cotton under the supervision of the Secretary of Agriculture.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 14199) entitled "An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1934, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. REED, Mr. BINGHAM, Mr. STEIWER, Mr. CUTTING, Mr. KENDRICK, Mr. McKELLAR, and Mr. FLETCHER to be the conferees on the part of the Senate.

#### TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL—FISCAL YEAR 1934

Mr. BYRNS. Mr. Speaker, I present a conference report on the bill (H. R. 13520) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes, and in this connection I would ask unanimous consent to proceed for five minutes for the purpose of explaining the report.

The SPEAKER. The gentleman from Tennessee asks unanimous consent to address the House for five minutes. Is there objection?

Mr. SNELL. Mr. Speaker, reserving the right to object, the report is not coming up to-day?

Mr. BYRNS. No; but I want to make an explanatory statement of about five minutes, and I think the statement will be of interest to every Member of the House.

The SPEAKER. Is there objection?

There was no objection.

Mr. BYRNS. Mr. Speaker, this report contains, of course, a report upon the amendments which have been made to the appropriations carried in the regular appropriation bill. It was necessary, under the rules of the House, for the conferees to return the other amendments to the House for its action, because they are filled with legislation. I refer particularly to the so-called economy amendment of the Senate and also to the reorganization provision, both of which are contained in the same amendment. There are also two other amendments that it is not necessary to refer to.

Your committee of conference has been in steady and almost continuous session with the Senate since last Monday morning. It took us the entire week to go through this very long amendment and consider it carefully, as we endeavored to do.

We agreed on many things. There are some things to which we did not agree.

I think I may say for the conferees that we were exceedingly anxious, even though some of us may have favored some matters not contained in the motion I will present, to report a bill which would not provoke a discussion, if I may say so, at the other end of the Capitol and probably jeopardize the passage of the bill between now and March 4, or to put into the bill any amendment which might possibly provoke a veto. For this reason members of the conference committee probably did not insist upon some things that they would have insisted upon had it not been for this fact, and also the feeling that later on, if it is desired to amend the measure, there will be no trouble at the next session of Congress in bringing the matter to the attention of the Congress.

The amendment which I will submit represents the views of the House conferees as a majority. There are some members of the conference committee who do not agree to every particular provision in this amendment, but the amendment represents the views of the majority.

I am perfectly well aware that in a long amendment like this it will be impossible for any Member of the House to hear it read from the desk and fully understand all of its provisions.

I have always believed that notwithstanding this is a large membership and notwithstanding the fact that we have to have rules in order to do business, there is no